

**BYLAWS  
OF  
THE FRIENDS OF THE MURRIETA LIBRARY, INC.,  
A California Nonprofit Public Benefit Corporation**

**ARTICLE I  
NAME OF CORPORATION AND DEFINITIONS**

Section 1. NAME. The name of this corporation is THE FRIENDS OF THE MURRIETA LIBRARY, INC., a California nonprofit public benefit corporation (hereinafter the “Corporation”).

Section 2. DEFINITIONS. The term “Board” shall mean the Board of Directors of the Corporation. The term “Member” shall mean any individual or entity who has been accepted for membership by the Board.

**ARTICLE II  
OFFICES OF THE CORPORATION**

Section 1. PRINCIPAL OFFICE. The principal office of the Corporation shall be located in the City of Murrieta, Riverside County, as may be determined by the Board from time to time. The Board is hereby granted full power and authority to change the location of the principal office from one location to another in the City of Murrieta. Any such change by Board resolution shall be noted in the Minute Book of the Corporation, or this section may be amended to state the new location.

Section 2. OTHER OFFICES. The Board may establish at any time branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

**ARTICLE III  
PURPOSES**

Section 1. GENERAL PURPOSES. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporations Law for public or charitable purposes.

Section 2. SPECIFIC PURPOSES. The specific purposes of this corporation are to receive contributions for, make donations to, and otherwise aid and support the City of Murrieta Public Library.

**ARTICLE IV**  
**MEMBERSHIP**

**Section 1. QUALIFICATIONS AND CLASSES OF MEMBERS**

(a) This Corporation shall have the following categories of members: individual, family, supporting, patron, business, and life. Any persons dedicated to the purposes of the Corporation, and who meet other qualifications for membership, as the Board may determine, shall be eligible for membership upon timely payment of such dues and fees as the Board may fix from time to time.

(b) The Board may establish from time to time such other Member categories and Member qualifications as it deems appropriate, and may modify Member qualification, terms of membership and membership requirements on a case by case basis as it deems appropriate, and the Board may change or eliminate any Member category or Member qualification as it deems appropriate from time to time; provided, however, that the Board obtains approval from the voting Members as required under the California Nonprofit Public Benefit Corporations Law. The Board may also accept Membership in any Member category by in-kind donations in lieu of cash contributions as the Board may determine.

**Section 2. VOTING MEMBERS.** Members shall have the right to vote, as set forth in these Bylaws, on the election of Directors, on the disposition of all or substantially all of the assets of the Corporation, on any merger and its principal term and shall be entitled to vote on all matters brought before the annual, special, or business membership meetings, as these types of meetings are defined in these Bylaws; provided, however, that these matters are those on which Members are entitled to vote under the California Nonprofit Benefit Corporations Law. Individual Memberships of the Corporation shall have one vote, and all other categories consisting of more than one family member shall have a maximum of two votes. Members must be 18 years of age in order to vote.

**Section 3. MEMBERSHIP CERTIFICATE.** The Board is authorized to approve and issue to each Member a certificate which shall be evidence of membership in good standing for a specific period.

**Section 4. DUES AND ASSESSMENTS.**

(a) Dues may be determined by the Board at its annual meeting each year or any special meeting of the Board. Such dues and assessments may be different among various categories of membership, but shall be equal within each such member category. Once determined, Members shall be liable for payment of applicable dues and assessments. Liability of Members for payment of applicable and assessments may be enforced by termination of membership, legal collection action, or both, at the discretion of the Board.

(b) Except as determined by the Board on a case by case basis, Membership in the Corporation shall be on an annual basis commencing with the date of acceptance by the Board of a properly completed application.

(c) Dues for Members shall be due and payable within thirty (30) days of billing or as otherwise established by the Board. If any Member is in arrears for more than thirty (3) days as to payment of dues, that Member shall be given notice within sixty (60) days of delinquency. If any Member is in arrears for more than ninety (90) days, the Board may determine that the Member's rights in the Corporation shall cease; provided, however, that the Board provide an opportunity for the Member to be heard, orally or in writing, not less than five (5) days before the effective date of the cessation. Delinquent Members, who subsequently pay their dues, may be reinstated at the discretion of the Board.

#### Section 5. MEETINGS OF MEMBERS.

(a) Place of Meetings. Meeting of the Members shall be held at a place designated by the Board in the Notice of the meeting.

(b) Annual Meetings. The annual Membership meeting of the Corporation shall be held during the month of January of each year, at such time and on such date as the Board shall determine. At such meetings, Directors shall be elected, the Board shall report the activities of the Corporation to the Members, and other business shall be transacted as may be properly brought before the meeting. The annual meeting shall be open to all classes of membership.

(c) Special Meetings. Special meetings of the Members for any purpose or purposes may be called at any time by the President, or by a majority vote of the Board, or by Members holding not less than five percent (5%) of the voting power of the Corporation, in accordance with California Code Section 7510(e). Special meetings shall be open to all classes of membership.

A special meeting, called by any person(s), other than the Board, entitled to call a meeting, shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the President or Vice President or the Secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, in accordance with Section 7 of this Article, stating that a meeting will be held at a special time and date fixed by the Board, provided, however, that the meeting date shall be at least thirty-five (35) but not more than ninety (90) days after receipt of the request. If the notice is not given within twenty (20) days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this section shall be construed as limiting, fixing or affecting the time at which a meeting of Members may be held when the meeting is called by the Board.

No business, other than the business which was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 6. MANNER OF GIVING NOTICE OF MEETINGS. Notice of each annual and special meeting shall be given to each member who, on the record date for the notice of the meeting, is entitled to vote at least ten (10) but not more than ninety (90) days prior to the date fixed for such a meeting. Such notice shall be given either personally or by e-mail, or prepaid, first-class, registered or certified mail, addressed to such Member at the e-mail or street address appearing on the books of the Corporation. If the address is not shown, notices shall be deemed to have been given if either notice is sent by mail to that Member or other means of written communication addressed to the place where the principal office of the corporation is located, or notice is published at least once in a newspaper of general circulation in the county in which the principal office is located. Such notices shall specify the place, time, day and hour of the meeting and the nature of the business to be transacted. If notice is not mailed by first class, registered or certified mail, that notice shall be given not less than twenty (20) days before the meeting.

Section 7. GENERAL NOTICE REQUIREMENTS. Whenever Members are required or permitted to take any action at a meeting, written notice of the meeting shall be given, in accordance with Section 6 of this Article, to each Member entitled to vote at the meeting. The notice shall specify the place, date, and hour of the meeting, and (1) for a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) for the annual meeting, those matters that the Board, at the time notice is given, intends to present for action by the Members; but any proper matter may be presented at the meeting, subject to the provisions of Section 8 of the Article. The notice of any meeting at which Directors are to be elected shall include the names of all persons who are nominees when notice is given.

Section 8. NOTICE OF CERTAIN AGENDA ITEMS. Approval by the Members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

- (a) Removing a Director without cause;
- (b) Filling vacancies on the Board;
- (c) Amending the Articles of Incorporation;
- (d) Approving a contract or transaction between the Corporation and one or more Directors or between the Corporation and any entity in which a Director has a material financial interest;
- (e) Electing to wind up and dissolve the Corporation; or
- (f) Approving a plan of distribution of assets, other than money, not in accordance with liquidation rights of any class or classes as specified in the Articles or Bylaws, when the Corporation is in the process of winding up.

Section 9. QUORUM.

(a) Number Required. One-third (1/3) of the voting Members in good standing, present in person, shall constitute a quorum for the transaction of business at any meeting of the Members, provided, however, that any annual or special meeting is actually attended in person by less than one-third of the voting power, the only matters that may be voted on are those of which notice of their general nature was given under the first and second sentences of Section 8 of this Article.

(b) Loss of Quorum. The Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjourned, even if enough Members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

(c) Adjournment and Notice of Adjourned Meetings. Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the voting Members represented at the meeting. No meeting may be adjourned for more than two (2) consecutive months. When a Members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

Section 10. VOTING.

(a) Eligibility to Vote. Subject to the provisions of the California Nonprofit Public Benefit Corporations Law, the only persons entitled to vote at any meeting of Members shall be those voting categories of Members who are in good standing as of the record date determined under Section 14 of these Bylaws.

(b) Manner of Casting Votes. Voting may be by voice or ballot. Election of Directors must be by ballot submitted in person; deposited in an authorized ballot box, as determined by the Board; or sent by mail to the Corporation's Post Office Box.

(c) Entitlement. Members are entitled to vote, as specified in Section 2 of this Article, on each matter submitted to a vote of the Members as prescribed in these Bylaw and the California Nonprofit Public Benefit Corporations Law.

(d) Approval by Majority Vote. If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the Members, unless the vote of a greater number, voting by classes, is required by the California Nonprofit Public Benefit Corporations Law or by the Articles of Incorporation.

#### Section 11. WAIVER OF NOTICE OR CONSENT BY ABSENT MEMBERS.

(a) . The transactions of any meeting of Members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (1) a quorum is present in person, and (2) either before or after the meeting, each Member entitled to vote, not present in person, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice, consent or approval need not specify either the business to be transacted or the purpose of any meeting of Members, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section 9 of this Article, the waiver of notice, consent or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(b) Waiver by Attendance. A Member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting, unless the Member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not included, if that objection is expressly made at the meeting.

#### Section 12. ACTION WITHOUT A MEETING

(a) Action by Unanimous Written Consent. Any action required or permitted to be taken by the Members may be taken without a meeting, if all voting Members consent in writing to the action. The written consent or consents shall be filed in the corporate Minute Book. Any actions taken by written consent shall have the same force and effect as the unanimous vote of the voting Members.

(b) Action by Written Ballot without a Meeting. Any action that may be taken at any meeting of Members may be taken without a meeting by written ballot complying with this section.

(i) Solicitation of Written Ballots. The Corporation shall distribute one written ballot to each voting Member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by Section 7 of this Article. All solicitations of votes by written ballot shall (1) indicate the number of responses needed to meet the quorum requirements; (2) with respect to ballots other than for election of Directors, state the percentage of approvals necessary to pass the measure; (3) with respect to ballots for election of At-Large Directors, state the name of each nominee; and (4) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (1) set forth the proposed action; (2) provide the Members an opportunity to specify approval or disapproval of each proposal; and (3) provide a reasonable time within which to return the ballot to the Corporation, specifying the address to which the ballot is to be sent. If the Corporation has one hundred (100) or more voting Members, any written ballot distributed to ten (10) or more Members, shall provide, subject to reasonable specified conditions, that if the person solicited specified a choice with respect to any

such matter, the vote shall be cast in accordance with that specification. In any election of Directors, a written ballot which is marked by a voting Member “withhold,” or is otherwise marked in a manner indicating that the authority to vote is withheld, shall not be counted.

(ii) Number of Votes and Approval Required. Approval by written ballot shall be valid only when (1) the number of votes cast by ballot (including those ballots that are marked “withhold” or otherwise indicate that authority to vote is withheld) and received within the time specified, equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

(iii) Revocation. A written ballot may not be revoked.

(iv) Filing. All written ballots shall be filed with the Secretary of the Corporation and maintained in the corporate records for at least two (2) years.

### Section 13. RECORD DATE FOR NOTICE, VOTING, WRITTEN BALLOTS, AND OTHER ACTIONS.

(a) Record Date Determined by Board. For purposes of determining which Members are entitled to receive notice of any meeting, to vote or to exercise any rights with respect to any lawful action, the Board of Directors may fix in advance a “record date.” Such record date so fixed: (1) for notice of a meeting shall not be more than ninety (90) or less than ten (10) days before the date of the meeting; (2) for voting at a meeting shall not be more than sixty (60) days before the day on which the first written ballot is mailed or solicited; and (3) for any other action shall not be more than sixty (60) days before that action. Only Members of record on the date so fixed are entitled to notice, to vote or to exercise any rights with respect to any lawful action, as the case may be, notwithstanding any transfer of any membership on the books of the Corporation after the record date, except as otherwise provided in the Articles of Incorporation, by agreement, or in the California Nonprofit Public Benefit Corporations Law.

(b) Record Date Not Determined by Board.

(i) Record Date for Notice or Voting. If not otherwise fixed by the Board, the record date for determining Members entitled (1) to receive notice of or (2) to vote at a meeting of Members shall be the next business day preceding the day on which the meeting is held.

(ii) Record Date for Action by Written Ballot. If not otherwise fixed by the Board, the record date for determining those Members entitled to vote by written ballot shall be the day on which the first written ballot is mailed or solicited.

(iii) Record Date for Other Actions. If not otherwise fixed by the Board, the record date for determining Members entitled to exercise any rights with respect to any other lawful action shall be on the date on which the Board adopts the resolution relating to that action, or the sixtieth (60<sup>th</sup>) day before the date of that action, whichever is later.

(c) Definition of “Members of Record.” For purposes of this section, a person holding a voting membership at the close of business on the record date shall be a Member of Record.

#### Section 14. TERMINATION AND SUSPENSION OF MEMBERSHIP.

(a) Causes of Termination. A membership and all liability for future accruing dues and assessments for the current year shall terminate on the occurrence of any of the following events:

(i) Resignation of a Member, upon written notice to the Corporation’s Secretary, providing the Member has fulfilled all financial obligations for the current fiscal year;

(ii) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;

(iii) Failure of a member to pay dues or fees as set by the Board, within the ninety (90) days after they become due and payable;

(iv) Occurrence of any event that renders a Member ineligible for membership, or failure to satisfy membership qualifications; or

(v) Expulsion of the Member under Subsection (c) of this Section, based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the Member has failed in a material and serious degree to serve the rules of conduct of the Corporation or has engaged in conduct materially and seriously prejudicial to the purposes and interest of the Corporation.

(b) Suspension of Membership. A Member may be suspended, under Subsection (c) of this Section, based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the Member has failed in a material and serious degree to serve the Corporation’s rules of conduct or has engaged in conduct materially and seriously prejudicial to the purposes and interest of the Corporation. A person whose membership is suspended shall not be a member during the period of suspension.

(c) Procedure for Expulsion or Suspension. If grounds appear to exist for expulsion or suspension of a Member under Subsections (a) or (b) of this Section, the procedure set forth below shall be followed:

(i) The Member shall be given fifteen (15) days prior notice of the proposed expulsion or suspension, and the reasons for the proposed expulsion or suspension. Notice shall be sent by registered mail, with return receipt requested, to the Member’s last address as shown on the Corporation’s records.

(ii) The Member shall be given an opportunity to be heard, whether orally or in writing, at least five (5) days before the effective date of the proposed expulsion. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the expulsion or suspension should take place.

(iii) The Board, committee, or person shall decide whether or not the Member should be expelled, suspended, or sanctioned in some other way. The decision of the Board, committee, or person shall be final.

(iv) Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion, suspension, or termination.

Section 15. GOOD STANDING. Any Member who has paid current dues and assessments, or has agreed in writing to do so and is not in default under such agreement, shall be a member in good standing , unless terminated pursuant to these Bylaws.

Section 16. RIGHTS AND OBLIGATIONS. Members shall not have any rights or interest in the assets or facilities of the Corporation. No Member shall be liable for the debts, liabilities or obligations of the Corporation, and any and all creditors of this Corporation shall look only to the assets of the Corporation for payment. Each Member enjoying, receiving or utilizing any of the rights or benefits of membership in the Corporation shall do so in compliance with applicable rules and procedures established from time to time by the Board.

Section 17. TRANSFER OF MEMBERSHIPS. \_\_\_Memberships are not transferable. Subject to these Bylaws, all rights of membership cease on the Member's death or upon dissolution.

## **ARTICLE V**

### **BOARD OF DIRECTORS**

Section 1. NUMBER. The authorized number on the Board of Directors shall be a maximum of up to seven (7), until by amendment of these Bylaws.

#### Section 2. POWERS

(a) General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and other applicable laws, and subject to any limitations in the Articles of Incorporation and Bylaws, regarding actions that require the approval of the Members, the Corporation's activities and affairs shall be managed, and all corporate power shall be exercised by or under the authority of the Board's direction.

(b) Specific Powers. Without prejudice to the general powers set forth in Section 2 (a) of this Article, but subject to the same limitations, the Directors shall have the power to:

(i) Appoint and remove at the pleasure of the Board the Corporation's agents and employees, if any; prescribe powers and duties for them that are consistent with the law, with the Articles of Incorporation, and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(ii) Change the principal office or the principal business office in Murrieta from one location to another, cause the Corporation to be qualified to conduct its activities within or outside California, and designate any place within or outside California for holding any meeting of Members.

(iii) Adopt and use a corporate seal, prescribe the forms of membership certificates consistent with the provision 7313 of the California Corporations Code, and alter the forms of the seal and certificates.

(iv) Determine the general policies of the Corporation, actively promote the Corporation's objectives, and supervise the disbursement of funds.

(v) Adopt rules and regulations for the conduct of its business, as shall be deemed advisable and not otherwise in conflict with these Bylaws, and may in the execution of powers granted, delegate certain of its responsibilities and authority to an Executive Committee.

Section 3. STANDARD OF CARE. Each Director shall perform the duties of a Director, including the duties as a Member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interest of the Corporation, and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances.

Section 4. ELECTION AND TERM OF OFFICE. All Directors shall be elected at each Annual Meeting of the Members, and shall hold office for three years. There is no limitation as to the numbers of terms a Director may hold.

Section 5. VACANCIES.

(a) A vacancy or vacancies in the Board of Directors shall be deemed to exist in the event of the death, resignation, or removal of any Director, or if the Board of Directors by resolution declares vacant the office of a Director who has been declared of unsound mind by an order of court or convicted of a felony, or if the authorized number of Directors is increased, or if the Members fail, at any meeting of Members at which any Director or Directors are elected, to elect the number of Directors to be voted for at that meeting. No reduction of the authorized number of Directors shall have effect of removing any Director before that Director's term of office expires.

(b) The entire Board of Directors or any individual Director may be removed from office as provided by Section 7222 of the Nonprofit Public Benefit Corporations Law.

(c) A vacancy in the Board of Directors shall be filled by appointment made by a majority of the remaining Directors then in office even though less than a quorum, or by the sole remaining Director. A successor Director shall serve until the next election at which time the unexpired term shall be filled by the candidate having the most votes *after* the regularly elected positions have been filled.

Section 6. RESIGNATIONS. Any Director may resign effective upon giving written notice to the President or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

Section 7. REMOVAL. The entire Board of Directors, or any individual Director, may be removed from office as provided by Section 7222 of the Nonprofit Public Benefit Corporations Law.

Section 8. NOTICE, PLACE AND MANNER OF BOARD OF DIRECTORS' MEETINGS. Meetings of the Board of Directors may be called by the President, or the Vice President, or the Secretary, or any two (2) Directors, and shall be held at any place that has been designated in the notice of the meeting. Notice of each and regular meeting of the Board shall be given in person, by telephone, or by e-mail at least four (4) days before the time set for the meeting. Members of the Board may participate in a meeting through the use of conference telephone, or via the Internet, so long as all Directors participating in such a meeting can hear one another. Accurate minutes of any meeting of the Board, or any committee thereof, shall be maintained, as required by these Bylaws, by the Secretary or other officer designated for that purpose.

Section 9. ANNUAL MEETING. The Board shall hold an annual meeting immediately following the annual meeting of the membership, or in conjunction with its regularly scheduled meeting as described below, for the purpose of organization, election of officers, and the transaction of other business; provided, however, that the Board may fix another time for the holding of its annual meeting. Notice of these meetings shall be given in accordance with Section 8 of this Article.

Section 10. SPECIAL MEETINGS, NOTICE, AND WAIVERS.

(a) Special meetings of the Board of Directors may be called at any time by the President, by the Vice President, by the Secretary, or by any two (2) Directors. At least forty-eight (48) hours notice of the time and place of special meetings shall be delivered personally to each Director or sent to each Director by e-mail, fax, or telephone. Members of the Board may participate in meetings through use of conference telephone or via the Internet, so long as all Directors participating in such a meeting can hear one another.

(b) When all the Directors are present at any such meeting, and either (i) sign a written consent thereto on the records of such meeting; or (ii) if a majority of the Directors are present and if those not present sign a consent to holding of such meeting which shall be filed with the Secretary of the Corporation, then the transactions thereof are valid as if a regular meeting had been called and noticed.

Section 11. DIRECTORS' ACTION BY UNANIMOUS WRITTEN CONSENT. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting and with the same force and effect as if taken by unanimous vote of the Directors, if authorized by a writing signed individually or collectively by all members of the Board. Such consent(s) may be submitted in writing or by e-mail and shall be filed with the regular minutes of the Board.

Section 12. QUORUM. A majority of the number of Directors as authorized by the Bylaws shall be necessary to constitute a quorum for the transaction of business, and the action of a majority of the Directors present at any meeting at which there is a quorum, when duly assembled, is valid as a corporate act. A majority of the authorized Directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decisions made by the majority of Directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporations Law, including, without limitations, those provisions relating to (a) approval of contracts or transactions between the Corporation and one or more Directors, or between the Corporation and any entity in which a Director has a material financial interest; (b) creation of and appointments to committees of the Board, and (c) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 13. ADJOURNMENT AND NOTICE OF ADJOURNMENT. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place is fixed at the meeting adjourned and held within twenty-four (24) hours; but if adjourned more than twenty-four (24) hours, notice shall be given to all Directors not present at the time of the adjournment.

Section 14. COMPENSATION OF DIRECTORS. Directors shall not receive any stated salary for their service, but by resolution of the Board, a fixed sum and expense of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board; provided that nothing herein contained shall be construed to preclude any Director from servicing the Corporation in any other capacity and receiving compensation therefor.

Section 15. ADVISORY DIRECTORS. The Board of Directors from time to time may elect one or more persons to be Advisory Directors who shall not by such appointment be members of the Board of Directors. Advisory Directors shall be available from time to time to perform assignments specified by the President, to attend meetings of the Board of Directors upon invitation and to furnish consultation to the Board. The period during which the title shall

be held may be prescribed by the Board. If no period is prescribed, the title shall be held at the pleasure of the Board.

Section 16. RESIGNATIONS. Any Director may resign effective upon giving written notice to the President of the Board, unless the notice specifies a later time for the effectiveness of the resignation. A successor may be elected to take the place of the resigning Director; or, if the resignation is effective at a future date, a successor may be elected to take the position. when the resignation becomes effective.

## **ARTICLE VI** **OFFICERS**

Section 1. OFFICERS. The officers of this Corporation shall be a President, a Vice-President, a Secretary, and a Treasurer. The Corporation may have one or more additional Vice Presidents, Assistant Secretaries, Assistant Treasurers, and such other officers as may be appointed at the discretion of the Board. The Board may prescribe the duties of each officer in addition to, or as limitations on, those duties set forth in these Bylaws. One person, other than the President, may hold more than one of these offices. Officers other than the President and Vice President need not be Members of the Board of Directors.

Section 2. ELECTION. The officers of the Corporation shall be chosen annually by the Board, and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under contract of employment. Officers shall be elected for terms of one year, or until their successors are elected and qualified.

Section 3. REMOVAL OF OFFICERS. Without prejudice to any rights of an officer under any contract of employment, an officer may be removed with or without cause by the Board; and also, if the officer was not chosen by the Board, by any officer on whom the Board may confer the power of that removal.

Section 4. RESIGNATION OF OFFICERS. An officer may resign at any time by giving written notice to the Corporation. The resignation shall take effect as of the date the notice is received, or at any later time specified in the notice, and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is party.

Section 5. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause,, shall be filled in the manner prescribed in these

Bylaws for regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

Section 6. PRESIDENT. The President may (1) preside at all meeting of the Board and Members; (2) call special meetings of the Board and Members; (3) perform all duties and acts usually performed by an executive and presiding officer; and (4) sign such documents and obligations of the Corporation and perform such other duties as may be authorized by the Board.

Section. 7. VICE-PRESIDENT. The Vice President shall perform all the duties of the President in case of the absence or inability of the latter to serve. When so acting, the Vice President shall have all the powers of and be subject to all the restrictions on the President. The Vice-President shall also perform such duties as delegated or assigned by the President or the Board, and shall be responsible for contact with Members at conferences, meetings, and other such events as the Board shall designate.

Section 8. SECRETARY.

(a) The Secretary shall keep, or cause to be kept, at the principal office of the Corporation, a Book of Minutes of all meetings of the Board and Members, with the time and place of holding, how called or authorized, the notice thereof given, the names of those present, and the proceedings thereof. The Secretary shall also keep, or cause to be kept, at the principal office, a copy of the Articles of Incorporation and Bylaws, as amended to date, The Secretary shall also maintain a complete and accurate record of the membership of the Corporation, as well as a record of the proceedings of all meetings of the membership.

Section 9. TREASURER.

(a) The Treasurer shall keep and maintain, in accordance with generally accepted accounting procedure, adequate and correct books of accounts showing the receipts and disbursements of the Corporation, and an account of its cash and other assets. Such books of accounts shall at reasonable times be open to inspection by any Director. The Treasurer shall send or cause to be given to the Members and Directors such financial statements and reports as are required by law, by these Bylaws, or by the Board, to be given, .

(b) The Treasurer shall (1) deposit or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate; (2) disburse the Corporation's funds as the Board may order; (3) render to the President, and the Board when requested, an account of all transactions as Treasurer and of the financial condition of the Corporation; and (4) have such other powers and perform such duties as the Board of these Bylaws may prescribe.

Section 10. COMPENSATION. The officers shall receive no compensation for their services as officers.

## **ARTICLE VII** **COMMITTEES**

### Section 1. APPOINTMENT OF COMMITTEES.

(a) The Board by resolution adopted by a majority of the Directors then in office, provided a quorum is present, may establish such standing committees, study committees, ad hoc committees, and other committees as it deems appropriate from time to time, and may delegate such authority and responsibility and assign such duties to such committees as the Board deems appropriate, subject to any limitations as imposed by applicable law. The Board may make appointments to such committees, including appointing individuals who are not directors or members of the Corporation, as the Board deems appropriate. All committees shall be subject to the supervision and control of the Board and subject to the provisions of the Articles and these Bylaws. All committees shall report to the Board or to such person as may be designated by the Board.

(b) Any such committee, to the extent provided in the Board resolution, shall have the authority of the Board, *except that no committees*, regardless of Board resolution, *may* (1) approve any action for which approval of the Members or a majority of the Members is also required; (2) fill vacancies on the Board or in any committee, which has the authority of the Board; (3) fix compensation of the Directors for serving on the Board or on any committee; (4) amend or repeal bylaws or the adoption of new bylaws; (5) amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable; (6) Appoint committees of the Board or the members thereof; (7) expend Corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; and (8) approve any self-dealing transaction except as provided in Paragraph 3 of subdivision (d) of Section 5233 of the California Corporations Code.

## **ARTICLE VIII** **RECORDS AND REPORTS**

Section 1. MAINTENANCE OF CORPORATE RECORDS. The Corporation shall keep:

- (a) Adequate and correct books and records of account;
- (b) Written minutes of the proceeding of its Members, Board and committees of the Board; and
- (c) A record of each Member's name, address and class of membership.

## Section 2. MEMBERS' INSPECTION RIGHTS.

(a) Membership Records. Subject to Division 2, Part 3, Chapter 13, Article 3 (commencing at Section 8830) of the California Corporations Code and unless the Corporation provides a reasonable alternative as provided below, any Member may do either or both of the following for a purpose reasonably related to the Member's interest as a Member:

(i) Inspect and copy the records of Members' names, addresses and voting rights during usual business hours on five (5) day's prior written demand on the Corporation, which demand must state the purpose for which the inspection rights are requested; or

(ii) Obtain from the Secretary of the Corporation, on written demand and tender of a reasonable charge, a list of names, addresses and voting rights of Members who are entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled, or as of the date, after the date of demand, specified by the Member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the Member on or before the later of ten (10) days after: the demand is received, or the date specified in the demand as the date as of which the list is to be compiled.

The Corporation may, within ten (10) business days after receiving a demand under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons that the proposed alternative does not meet the proper purpose of the demand.

If the Corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a Member, or if it provides a reasonable alternative under this Section, it may deny the Member access to the membership list.

Any inspection and copying under this Section may be made in person or by the Member's agent or attorney. The right of inspection includes the right to copy and make extracts. Any right of inspection extends to the records of any subsidiary of the Corporation.

(b) Accounting Records and Minutes. On written demand on the Corporation, any Member may inspect, copy, and make extracts of the accounting books and records, and/or the Minutes of the proceedings of the Members, the Board, and committees of the Board, at any reasonable time for a purpose reasonably related to the Member's interest as a Member. Any such inspection and copying may be made in person or by the Member's agent or attorney. Any right of inspection extends to the records of any subsidiary of the Corporation.

Section 3. MAINTENANCE AND INSPECTION OF ARTICLES AND BYLAWS. The corporation shall keep at its principal office the original or a copy of the Articles of Incorporation and Bylaws, as amended to date, which shall be open to inspection by the Members at all reasonable times during office hours.

Section 4. INSPECTION BY DIRECTORS. Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties and the records of each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

#### Section 5. ANNUAL REPORT

(a) An annual report shall be prepared within one hundred and twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information in appropriate detail:

(i) A balance sheet as of the end of the fiscal year, and an income statement and statement of changes in financial position for the fiscal year, accompanied by any report on them by independent accountants, or, if there is no such report, by the certificate of an authorized officer of the Corporation that they were prepared without audit from the books and records of the Corporation.

(ii) A statement of the place where the names and addresses of current Members are located.

(iii) Any information that is required by Section 6 of the Article.

(b) The Corporation shall notify each Member annually of the Member's right to receive a financial report under this Section. Except as provided in Subsection (c) of this Section, on written request by a member, the Board shall promptly cause the most recent annual report to be sent to the requesting Member.

(c) This Section shall not apply if the Corporation receives less than ten thousand dollars (\$10,000) in gross revenue or receipts during the fiscal year.

Section 6. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. As part of the annual report to all Members, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail or deliver to its Members and furnish to its Directors a statement of any transaction or indemnification of the following kinds within one hundred and twenty (120) days after the end of the Corporation's fiscal year:

(a) Unless approved by Members under Section 7233(a) of the California Corporations Code, any transaction to which the Corporation, its parent or its subsidiary was a party and in which any Director or officer of the Corporation had a direct or indirect material financial interest (but mere common directorship is not a material financial interest), if such transaction involved more than fifty thousand dollars (\$50,000) or was one of a number of such transactions with the same person involving, in the aggregate, more than fifty thousand dollars (\$50,000).

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their

interest in the transaction and, when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

(b) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year to any officer or Director of the Corporation under Article X of these Bylaws, unless the loan, guaranty, indemnification, or advance has already been approved by the Members under Section 5034 of the California Corporations Code, or the loan or guaranty is not subject to the provisions of subdivision (a) of Section 7535(a) of that Code.

## **ARTICLE IX** **AMENDMENTS**

### Section 1. AMENDMENT BY BOARD

(a) Membership Rights Limitations. Subject to the rights of Members under Section 1(d) and 2 of this Article, the Board may adopt, amend, or repeal the Bylaws unless the action would:

- (i) Materially and adversely affect the rights as to voting, dissolution, redemption, or transfer;
- (ii) Increase or decrease the number of Members authorized in total or for any class;
- (iii) Effect an exchange, reclassification, or cancellation of all or part of the memberships;
- (iv) Authorize a new class of membership.

(b) Changes to Number of Directors. Once Members have been admitted to the Corporation, the Board may not, without the approval of the Members, specify or change any bylaw provision which would:

- (i) Fix or change the authorized number of Directors;
- (ii) Fix or change the minimum or maximum number of Directors; or
- (iii) Change from fixed number of Directors to a variable number of Directors, or visa versa.

(c) High Vote Requirement. If any provisions of these Bylaws requires the vote of a larger proportion of the Board than otherwise required by law, such provision may not be altered, amended, or repealed except by that greater vote.

(d) Members' Approval Required. Without the approval of the Members, the Board may not adopt, amend, or repeal any Bylaw that would:

- (i) Increase or extend the term of the Directors;
- (ii) Allow any Director to hold office by designation or selection rather than by election by a Member or Members;
- (iii) Increase the quorum for Members' meetings; and/or
- (iv) Authorize cumulative voting.

Section 2. AMENDMENTS BY MEMBERS. New Bylaws may be adopted or these Bylaws may be amended or repealed by approval of the Members, provided, however, that any such adoption, amendment or repeal also requires approval by the Members of a class if that action would:

- (a) Materially and adversely affect the rights, privileges, preferences, restrictions, or conditions of that class as to voting, dissolution, redemption, or transfer in a manner different from the action affecting another class.
- (b) Materially and adversely affect that class as to voting dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class;
- (c) Increase or decrease the number of memberships authorized for that class;
- (d) Increase the number of memberships authorized for another class;
- (e) Effect an exchange, reclassification or cancellation of all or part of the memberships of that class; or
- (f) Authorize a new class of memberships.

Section 3. Any provision of these Bylaws that requires a vote of a larger proportion of the Members than otherwise is required by law may not be altered, amended or repealed except by a voter of that greater number. No amendment may extend a Director's term beyond that for which the Director was elected.

Section 4. Any provisions of these Bylaws providing for the designation or selection, rather than election, of any Director or Directors may be adopted, amended, or repealed only by the approval of the Members, subject to the consent of the person or persons entitled to designate or select any such Directors.

## ARTICLE X

## **INDEMNIFICATION AND INSURANCE**

Section 1. RIGHT OF INDEMNITY. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that Section. “Expenses,” as used in this Bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

Section 2. APPROVAL OF INDEMNITY. Upon written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(c) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to the proceeding, the Board shall promptly call a meeting of the Members. At that meeting, the Members shall determine under Section 7237(c) whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Members present at the meeting shall authorize indemnification.

Section 3. ADVANCEMENT OF EXPENSES. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the Corporation before final disposition of the proceeding, upon receipt by that Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 4. INSURANCE. The Corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its officers, Directors, employees and other agents, against any liability asserted against or incurred by any officer, Director, employee or agent in such capacity or arising out of the officer’s, Director’s, employee’s or agent’s status as such.

**ARTICLE XI**  
**MISCELLANEOUS**

Section 1. CORPORATE SEAL. The corporate seal of this Corporation may be circular in form and may have inscribed thereon the name of the Corporation, state of incorporation, and the date on which it was incorporated.

Section 2. EXECUTION OF DOCUMENTS. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances; and, unless so authorized by the Board, no officer, agent or other person shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable to any purpose or to any amount.

Section 3. CONSTRUCTION AND DEFINITIONS. Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the California General Nonprofit Corporation Law shall govern the construction of these Bylaws.

Section 4. PARLIAMENTARY AUTHORITY. All meetings shall be conducted according to *Roberts Rules of Order, Revised*, except when in conflict with these Bylaws or with the laws of the State of California.