

AMENDED AND RESTATED BYLAWS  
OF  
ALPFA

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**AMENDED AND RESTATED BYLAWS  
OF  
ALPFA**  
A California Nonprofit Mutual Benefit Corporation

ARTICLE 1. PURPOSES

Section 1.1 GENERAL PURPOSES.

The corporation is a nonprofit mutual benefit corporation organized and operated under the Nonprofit Mutual Benefit Corporation Law. The purpose of the corporation is to engage in any lawful act or activity, other than the credit union business, for which a corporation may be organized under such law.

Section 1.2 SPECIFIC PURPOSES.

The specific purposes of the corporation are:

- (a) To unite Latino professionals practicing in the United States, to provide professional networking opportunities for such professionals, and to advance their professional education goals.
- (b) To promote and maintain high professional standards for Latino professionals.
- (c) To promote mentoring and professional development relationships and opportunities among Latino professionals practicing in the United States.

The corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes described above.

Section 1.3 DEDICATION OF ASSETS.

The properties and assets of the corporation are irrevocably dedicated to fulfillment of the objectives and purposes of the corporation as set forth in Section 1.2 of these bylaws. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the exclusive benefit of any private person or individual, or any member or director of the corporation, except in fulfillment of said objectives and purposes. On liquidation or dissolution, all properties and assets and obligations shall be distributed pursuant the nonprofit provisions of the California Corporations Code then in effect.

ARTICLE 2. OFFICES

Section 2.1 PRINCIPAL OFFICES.

The board shall fix the location of the principal office of the corporation to be at 801 South Grand Avenue, Suite 650, Los Angeles, CA 90017. The board may change the principal office from one location to another. Any such change shall be noted by the secretary on these

bylaws opposite this Section, or this Section may be amended to state the new location.

### ARTICLE 3. MEMBERS

#### Section 3.1 QUALIFICATIONS AND RIGHTS OF MEMBERSHIP.

(a) **CLASSES OF MEMBERSHIP AND QUALIFICATIONS.** The corporation shall have two classes of members, designated as general members and student members. All members shall be natural persons and, except for student members, shall be at least eighteen years of age. The rights, privileges, preferences, restrictions and conditions of these classes of membership are as set forth below. A person shall be admitted or renewed as a member to such class of membership for which he or she has applied pursuant to such application and renewal procedures as the board may adopt from time to time, subject to payment of such dues, fees and assessments as the board may fix from time to time, and subject to such person meeting all of the applicable requirements set forth above and below with respect to the class of membership for which such person is applying or renewing at the time of application or renewal, as applicable. No person may be a member of more than one class of membership at any time, nor may any person hold more than one membership within a single class. A person may be admitted as a member without paying any dues, fees or assessments, or at reduced dues, fees or assessments, pursuant to such membership recruitment programs or promotions as the board may approve from time to time. The requirements for each class of membership are as follows:

- (i) General Member. A general member shall support the mission of the corporation and either (A) shall have a baccalaureate degree, or its international equivalent (B) shall have a professional certification, which certification has been determined by the board to be substantially equivalent to a degree identified in the foregoing clause (A), or (C) shall be a practicing professional. The board may from time to time adopt further requirements for qualification as a general member, but solely as clarifications of the foregoing requirements.
- (ii) Student Member. A student member shall support the mission of the corporation and, at the time of submission of his or her application for student membership or at the time of his or her renewal of such membership, shall be enrolled in high school, a junior college, college or university, or shall have been thus enrolled within the six months preceding the submission of such application or renewal.

(b) **RIGHTS OF GENERAL MEMBERS.** General members shall have the right to participate in all events, programs and other activities held or sponsored by the corporation and shall have access to all other benefits provided by the corporation to its members generally, in addition to those provided only to general members. General members shall have the right to attend all member meetings and the right to vote, as set forth in these bylaws, on the election of Directors (as defined in Section 5.1 of these bylaws), Officer Directors (as defined in Section 5.1 of these bylaws) and At Large Directors (as defined in Section 5.1 of these bylaws), on the disposition of all or substantially all of the assets of the corporation, on any merger and its principal terms and any material amendment of those terms, on any election to dissolve the corporation and on all other matters submitted to a vote of members whether or not required by law. In

addition, general members shall have all rights afforded members under the California Nonprofit Mutual Benefit Corporation Law.

- (c) **RIGHTS OF STUDENT MEMBERS.** Student members shall have such rights to participate in such events, programs and other activities, and to have such access or other benefits provided by the corporation, as may be approved by the board from time to time. Student members shall have the right to attend all member meetings and they may be entitled to vote for a Student Member Director (as defined in Section 5.1), if there will be a Student Member Director pursuant to Section 5.1 of these bylaws; provided, however, that a student member who is not at least eighteen years old shall have no voting rights. Except for the foregoing voting rights or as may otherwise be required by the California Nonprofit Mutual Benefit Corporation Law, student members shall have no voting rights.
- (d) **OTHER PERSONS ASSOCIATED WITH THE CORPORATION.** The corporation may refer to persons or entities associated with it as "members" even though such persons or entities are not general members or student members, and no such reference shall constitute anyone a member of the corporation within the meaning of Section 5056 of the California Corporations Code. References in these bylaws to members shall mean members as defined in Section 5056 of the California Corporations Code; *i.e.*, general members and student members.
- (e) **PROCEDURE FOR MEMBERSHIP ADMISSION AND RENEWALS.** Any person qualified for membership in the corporation, as provided in these bylaws, and desiring membership in the corporation shall submit an application for membership to the corporation on such application form as shall then be required by the corporation. The applicant shall be admitted as a member to the appropriate class, if (i) the board, or any committee or person authorized by the board to determine applicants' qualifications for membership, determines that the application was properly completed, signed or otherwise validated by the applicant and submitted, and that the applicant qualifies for membership in the class of membership for which the applicant applied, and (ii) the applicant pays any and all required initiation fees or dues as established by the board. Membership renewals shall occur and be processed by such rules and procedures as are adopted from time to time by the board or by such officer or officers or committee as the board may authorize to adopt such rules and procedures.
- (h) **WAIVER OF GENERAL MEMBER QUALIFICATION REQUIREMENTS.** The board may, in its sole discretion, waive any requirements for admission or renewal as a general member with respect to any individual on a case-by-case basis, upon such terms and pursuant to such procedures as the board may approve.

### Section 3.2 DUES, FEES, AND ASSESSMENTS.

Each member must pay, within the time and on the conditions set by the board or by such officer or officers or committee as the board may authorize to determine such requirements, the dues, fees, and assessments fixed by the board from time to time as a condition to admission as a member, reinstatement as a member, or renewal of a membership. The dues, fees, and assessments shall be equal for all members of each class, but the board may, in its discretion, set different dues, fees, and assessments for each class, may waive the payment of dues, fees and assessments, or provide for reduced dues, fees and assessments, for new members as part of any membership recruitment program or promotion adopted by the board, and may provide for discounts based on payment method.

### Section 3.3 GOOD STANDING.

A member who is not delinquent in the payment of any dues, fees, or assessments relating to his or her membership or relating to any other class of membership that he or she previously held, who is not suspended or expelled and whose membership has not expired or otherwise been terminated, shall be deemed a member in good standing for purposes of these bylaws.

### Section 3.4 TERMINATION AND SUSPENSION OF MEMBERSHIP.

- (a) CAUSES OF TERMINATION. A member's membership shall terminate on the occurrence of any of the following events:
- (1) The member delivers written notice of his or her resignation to the secretary of the corporation at the principal executive office of the corporation or via such other means or methods as may be established by the board;
  - (2) Expiration of the member's membership term, unless the membership is renewed prior thereto on the renewal terms fixed by the board;
  - (3) Failure of the member to pay any dues, fee, or assessment in the amount set by the board, or any other monetary obligation owed by the member to the corporation, within the later to occur of the following: (i) one hundred and eighty days after such obligation becomes due and payable, or (ii) thirty days after the member receives notice of delinquency regarding the applicable obligation;
  - (4) The member fails or ceases to qualify for the member's class of membership;
  - (5) Expulsion of the member under paragraph (b) of this Section 3.4; and
  - (6) Death or mental incapacity of the member.
- (b) SUSPENSION OR EXPULSION. A member's membership may be suspended for such period as is determined by the board, or the member expelled from membership in the corporation, in accordance with the procedures set forth in paragraph (c) of this Section 3.4, if the board determines in good faith that the member has to a material degree violated these bylaws or that the member has engaged in conduct materially prejudicial to the purposes, interests or reputation of the corporation or of any affiliate of the corporation or that may expose the corporation or any such affiliate to any liability (whether civil or criminal) or litigation of any nature. A board determination under this paragraph (b) shall not be valid, unless adopted by the affirmative vote of directors constituting a majority of the Authorized Directors. The decisions of the board with respect to suspension and expulsion shall be final and not subject to appeal. A member who has been expelled pursuant to this paragraph (b) may not thereafter be admitted as a member (regardless of class), unless reinstated pursuant to paragraph (d) of this Section 3.4. A person whose membership is suspended shall not be a member during the period of suspension and shall not be entitled to exercise any rights of a member during the period of suspension.

- (c) **PROCEDURE FOR EXPULSION OR SUSPENSION.** If the board determines that grounds appear to exist for expulsion or suspension of a member under paragraph (b) of this Section 3.4 and that expulsion or suspension of the member should be considered, the following procedures shall be followed:
- (1) The corporation shall give the member at least twenty days' prior notice of (i) the board meeting at which the member's expulsion or suspension will be considered, or (ii) the effective date of the proposed expulsion or suspension, if such expulsion is to be approved by unanimous written consent of the directors. Such notice shall identify the reasons for the proposed expulsion or suspension in reasonable detail, shall disclose the identity of the person or persons, if any, upon whose testimony or written declarations the board intends to rely in making its decision, and shall state the date, time and location of the board meeting or the effective date of the proposed expulsion or suspension if board approval will be by unanimous written consent. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent by first-class or registered mail to the member's last known address as shown on the corporation's records.
  - (2) The member shall be given an opportunity to appear in person at any board meeting at which the expulsion or suspension is to be considered, solely for the purpose of presenting a defense to the reasons cited for the proposed expulsion or suspension. The member shall be entitled to have his or her legal counsel present with him or her, but no other person shall be entitled to be present at such meeting. The member shall be entitled to have the board consider written materials in his or her defense if the materials are received by the secretary of the corporation at least five business days prior to the meeting. If the expulsion or suspension is to be approved by unanimous written consent of the directors, the member shall be entitled to have the board consider written materials in his or her defense if the materials are received by the secretary of the corporation at the principal office of the corporation at least five business days prior to the effective date of the proposed expulsion or suspension as identified in the notice.
  - (3) The board shall vote on the suspension or termination after any appearance or submission of materials by the member pursuant to this paragraph (c).
  - (4) Any action challenging an expulsion, suspension or membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion or suspension.
- (d) **REINSTATEMENT.** A member whose membership has been terminated solely for failure to pay any dues, fee, assessment or other monetary obligation may be reinstated as a member by the board in its sole discretion or by any committee or person authorized by the board to reinstate members, but only after payment of all delinquent dues, fees, assessments or other monetary obligations and only if the member continues to qualify for the applicable class of membership at the time of reinstatement. A member who has been expelled may thereafter be admitted as a member only upon the affirmative vote of at least two-thirds of directors then in office at a meeting held pursuant to notice or waivers of notice

complying with Section 7211 of California Corporations Code or by the unanimous written consent of the directors then in office.

- (e) NO REFUNDS. A member shall not be entitled to any refund of any dues, fees or assessments as a result of any suspension or expulsion, except pursuant to such refund policies as the board may adopt from time to time or as may be approved by the board in its sole discretion in any individual case.

### Section 3.5 TRANSFER OF MEMBERSHIPS.

No member may transfer a membership or any right arising from it.

### Section 3.6 CHAPTERS.

- (a) Chapters of members may be established, but only subject and pursuant to such procedures, policies, conditions and requirements as are adopted by the board from time to time and only after approval of the board in each case. No chapter may incorporate or otherwise become a separate legal entity, unless the articles of incorporation, bylaws and/or other charter documents of the entity are first approved by the board, and no changes to such documentation shall be made without the board's prior approval. In addition to such other requirements as the board may impose from time to time, any such charter documentation shall include provisions enabling the corporation to designate the directors or other governing body of the chapter entity and enabling the corporation to cause the dissolution and winding up of such entity. A chapter may not admit any person as a chapter member who is not at the time of admission to the chapter also a member of this corporation in good standing, and a chapter may not recognize any person as a member at any time such person is not a member of this corporation in good standing.
- (b) Subject to paragraph (c) below, no chapter or member may raise, solicit or collect monies except in accordance with such requirements as the board may adopt from time to time. Except as provided in paragraph (c) below, all monies collected by any chapter, whether as dues, fees, assessments, event revenues, sponsor fees, contributions or otherwise, shall be deemed property of the corporation and not of the chapter or any member, and should any chapter or member receive any such monies, the chapter or member shall be deemed to hold such monies in trust for the benefit of the corporation and shall immediately deliver the same to the corporation.
- (c) No chapter shall engage in any fund raising that purports to be pursuant to Internal Revenue Code Section 501(c)(3), or any state law equivalent, without the prior approval of the board, which approval may be withheld in the sole discretion of the board. The board shall not give such approval to a chapter without obtaining the prior approval of the board of directors of the Association of Latino Professionals in Finance and Accounting Foundation, Inc., a California public benefit nonprofit corporation ("ALPFA Foundation"). No chapter or member may raise, solicit or collect any such monies except in accordance with such requirements as the board or ALPFA Foundation may require from time to time. All monies collected by a chapter in any such fund raising, whether or not approved as aforesaid, shall be deemed the property of ALPFA Foundation and not of the chapter or any member. Should any chapter or member receive any such monies, the chapter or member shall be deemed to hold such monies in trust for the benefit of ALPFA Foundation and shall immediately deliver the same to the ALPFA Foundation.



- (d) Any use by a chapter of the corporation's name, the "ALPFA" name or logo or of any other service mark, trade name or trademark owned or licensed by the corporation, whether or not registered, shall be subject at all times to such requirements as the corporation may adopt from time to time, and any right to use the same, whether express or implied, shall at all times be subject to immediate revocation by the corporation, subject only to any written license or sub-license between the corporation and the applicable chapter. Any and all use of any such service mark, trade name or trademark by a chapter or any member shall inure solely and exclusively to the benefit of the corporation or its licensor.

#### ARTICLE 4. MEETINGS OF MEMBERS

##### Section 4.1 PLACE OF MEETING; MEETINGS HELD BY MEANS OF ELECTRONIC TRANSMISSION OR ELECTRONIC VIDEO SCREEN COMMUNICATION.

- (a) Meetings of the members shall be held at any place designated by the board or, if not so designated, by the person or persons calling the meeting, in each case at least thirty days prior to the meeting; provided, however, that no person or persons may designate a place for a meeting that is outside of the continental United States, unless such location has been approved by the board. In the absence of any designation of a meeting place by the board or the person or persons calling the meeting, members' meetings shall be held at the corporation's principal office. If authorized by the board in its sole discretion, and subject to the requirement of consent in clause (b) of Section 20 of the California Corporations Code and such guidelines and procedures as the board may adopt from time to time, members not physically present in person (or, if proxies are allowed, by proxy) at a meeting of members may, by Electronic Transmission (as defined in Article 12 of these bylaws) by and to the corporation, or by electronic video screen communication, participate in a meeting of members, be deemed present in person (or, if proxies are allowed, by proxy), and vote at a meeting of members, whether that meeting is to be held at a designated place or in whole or in part by means of Electronic Transmission by and to the corporation, or by electronic video screen communication.
- (b) A meeting of the members may be conducted, in whole or in part, by Electronic Transmission by and to the corporation or by electronic video screen communication (1) if the corporation implements reasonable measures to provide members in person (or, if proxies are allowed, by proxy) a reasonable opportunity to participate in the meeting, including an opportunity to read or hear the proceeding of the meeting substantially concurrently with those proceedings, and, with respect to members entitled to vote on a given matter, a reasonable opportunity to vote on such matter, and (2) if any member votes or takes other action at the meeting by means of Electronic Transmission or electronic video screen communication, a record of that vote or action is maintained by the corporation. Any request by a corporation to a member pursuant to clause (b) of Section 20 of the California Corporations Code for consent to conduct a meeting of members by Electronic Transmission by and to the corporation shall include a notice that absent consent of the member pursuant to clause (b) of said Section 20, the meeting shall be held at a physical location in accordance with paragraph (a) of Section 7510 of the California Corporations Code and paragraph (a) of this Section 4.1.

#### Section 4.2 ANNUAL MEETING.

An annual meeting of members shall be held on such date as the board fixes from time to time and so notifies members as provided in Section 4.4 of these bylaws. At each annual meeting, the members shall affirm by vote the election of Officer Directors (as defined in Section 5.1 of these bylaws) and other Directors (in accordance with their respective class as provided in these bylaws) to replace the Officer Directors and other directors whose terms have expired or are expiring after said annual meeting (to the extent not already elected by written ballot pursuant to these bylaws in lieu of an election at such annual meeting), and they may transact such other business as may properly come before the meeting. Nothing in the foregoing or in any other provision of these bylaws shall be construed to limit the board's ability to conduct any and all elections of Officer Directors or other directors by written ballot without a meeting in accordance with these bylaws. All references to the election of Officer Directors in these bylaws shall include election of such persons to their corresponding positions as officers of the corporation, as provided in Section 5.1 of these bylaws.

#### Section 4.3 SPECIAL MEETINGS.

- (a) **PERSONS AUTHORIZED TO CALL.** A special meeting of the members for any lawful purpose may be called at any time by the board, the chairman, or five percent or more of the members.
- (b) **SPECIAL MEETINGS CALLED BY PERSONS OTHER THAN THE BOARD.** Upon request in writing to the corporation addressed to the attention of the chairman, vice chairman, or secretary by any person (other than the board) entitled to call a special meeting of members, the officer receiving the notice forthwith shall cause notice to be given promptly to the members entitled to vote with respect to the business to be properly transacted at such meeting pursuant to paragraph (c) of this Section 4.3, in accordance with Section 4.4 of these bylaws, stating that a meeting will be held at a specified time and date fixed by the board not less than thirty-five nor more than ninety days after receipt of the request. If the notice is not given within twenty days after receipt of the request, the person or persons entitled to call the meeting may give the notice. Nothing in this paragraph (b) shall be construed as limiting, fixing, or affecting the time at which a special meeting of members may be held when the meeting is called by the board.
- (c) **PROPER BUSINESS OF SPECIAL MEETING.** No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

#### Section 4.4 NOTICE REQUIREMENTS FOR MEMBERS' MEETINGS.

- (a) **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 4.4(c) of these bylaws, to each member who, on the record date for notice of the meeting, is entitled to vote at that meeting. Subject to Section 4.4(b) and Section 4.5(a)(vi) of these bylaws, the notice shall specify the place, date and time of the meeting, the means of Electronic Transmission by and to the corporation or electronic video screen communication, if any, by which members may participate in that 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,

except as provided in Section 4.5(a)(vi) of these bylaws, any proper matter may be presented at the meeting for the action. The notice of any meeting at which officers or directors are to be elected shall include the names of all those who are nominees at the time the notice is given to members.

- (b) **NOTICE OF CERTAIN AGENDA ITEMS.** Approval of any of the following proposals by the members entitled to vote thereon, other than by unanimous approval by those entitled to vote thereon, is valid only if the notice of meeting or any written waiver of notice states the general nature of the proposal or proposals:
- (i) Removing a director without cause;
  - (ii) Filling vacancies on the board;
  - (iii) Amending the articles of incorporation;
  - (iv) Approving a contract or transaction between the corporation and any director or directors, or between the corporation and any entity in which a director of the corporation has a material financial interest or of which a director of the corporation is a director;
  - (v) Electing to wind up and dissolve the corporation; or
  - (vi) Approving a plan of distribution pursuant to Section 8719 of the California Corporations Code.
- (c) **MANNER OF GIVING NOTICE.** Notice of any meeting of members shall be in writing and shall be given at least thirty, but no more than ninety, days before the meeting date. The notice shall be given either personally, by Electronic Transmission, or by first-class, registered, or certified mail, or by other means of written communication, charges paid by the corporation, and shall be addressed to a member at the address of that member appearing on the books of the corporation or at the address given by the member to the corporation for purposes of notice. If no address appears on the corporation's books and no address has been so given, notice shall be deemed to have been given if either (1) notice is sent to that member in accordance herewith at the place where the corporation's principal office is located, or (2) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located. Notice given by Electronic Transmission under this paragraph (c) shall be valid only if it complies with Section 20 of the California Corporations Code. Notwithstanding the foregoing, notice shall not be given by Electronic Transmission under this paragraph (c) after either of the following: (1) the corporation is unable to deliver two consecutive notices to the member by that means, or (2) the inability to so deliver the notices to the member becomes known to the secretary, any assistant secretary, the transfer agent, or other person responsible for the giving of the notice.

#### Section 4.5 QUORUM.

- (a) **PERCENTAGE REQUIRED.**
- (i) For purposes of any election of any At Large Director, Officer Director or Director or any other matter to be approved by the general members, fifteen percent of the

combined general members, represented in person (or, if proxies are allowed, by proxy), shall constitute a quorum at a meeting of members for purposes of such election.

- (ii) For purposes of any election of a Student Member Director, fifteen percent of the student members entitled to vote, represented in person (or, if proxies are allowed, by proxy), shall constitute a quorum at a meeting of members for purposes of such election.
  - (iii) If notice of the general nature of a matter to be considered at a regular meeting has not been given pursuant to paragraph (c) of Section 4.4, such matter may not be voted upon at such meeting, unless at least thirty-three and one-third percent of the Voting Power entitled to vote on such matter actually attends such meeting in person (or, if proxies are allowed, by proxy).
- (b) **LOSS OF QUORUM.** Subject to paragraph (a) of this Section 4.5, the members present at a duly called or duly held meeting at which a quorum with respect to a matter is present may continue to transact business with respect to such matter until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum with respect to such matter, if any action taken with respect to such matter (other than adjournment) is approved (i) by at least a majority of the members required to constitute such quorum, or (ii) by the vote of a greater number of members, if required by the California Nonprofit Corporation Law or any provision of these bylaws or the articles of incorporation.

#### Section 4.6 ADJOURNMENT AND NOTICE OF ADJOURNED MEETING.

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 members represented at the meeting, either in person or, if proxies are allowed, by proxy. No meeting may be adjourned for more than forty-five days. When a members' meeting is adjourned to another time or place, unless these bylaws otherwise require and except as provided in this Section 4.6, notice need not be given of the adjourned meeting, if the time and place to which the meeting is adjourned (or the means of Electronic Transmission by and to the corporation or electronic video screen communication, if any, by which members may participate) 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 4.7 VOTING.

- (a) **ELIGIBILITY TO VOTE.** Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law and the voting restrictions in these bylaws, members in good standing as of the record date shall be entitled to vote. The record date shall be as determined under Section 4.10 of these bylaws.

- (b) **MANNER OF CASTING VOTES.** Voting may be by voice or ballot, except that any election of directors must be by ballot if demanded by any member entitled to vote for any director at the meeting before the voting begins.
- (c) **VOTING.** Each member shall be entitled to cast one vote on each matter submitted to a vote of the members, but only with respect to such matters with respect to which such member has voting rights.
- (d) **APPROVAL BY MAJORITY VOTE.** If a quorum with respect to a matter is present, the affirmative vote with respect to such matter of the majority of the quorum shall be the act of the members, unless the vote of a greater number of members or voting by classes is required by the California Nonprofit Corporation Law or any provision of these bylaws or the articles of incorporation.

#### Section 4.8 WAIVER OF NOTICE OF CONSENT.

- (a) **WRITTEN WAIVER OR CONSENT.** Each matter voted upon at any meeting of members, however called or noticed, and wherever held, shall be as valid as voted upon at a meeting duly held after regular call and notice, if (1) a quorum with respect to such matter is present either in person (or, if proxies are allowed, by proxy), and (2) either before or after the meeting, each member entitled to vote with respect to such matter, who is not present in person (or, if proxies are allowed, by proxy), provides a waiver of notice or a consent to the holding of the meeting or an approval of the minutes in writing. Neither the business to be transacted at nor the purpose of any regular or special meeting of members need be specified in any written waiver of notice, consent to the holding of the meeting or approval of the minutes thereof, except as provided in Section 4.4(b) or Section 4.5(a) (vi) of these bylaws. 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 the 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 so included, if that objection is expressly made at the meeting.

#### Section 4.9 ACTION WITHOUT A MEETING.

- (a) **ACTION BY UNANIMOUS WRITTEN CONSENT.** Any action required or permitted to be taken by members may be taken without a meeting, if all members entitled to vote on the action consent in writing to the action and the requirements of the California Nonprofit Corporation Law are otherwise met. The written consent or consents shall be filed with the minutes of the proceedings of the members. The action by written consent shall have the same force and effect as the unanimous vote of the members entitled to vote on the action.
- (b) **ACTION BY WRITTEN BALLOT WITHOUT A MEETING.** Any action that may be taken at any annual or special meeting of members, including, without limitation, election of officers and directors, may be taken without a meeting by written ballot in accordance with the procedures set forth in this paragraph (b). If approved by the board, written ballots and any related material may be sent by Electronic Transmission, and responses

may be returned to the corporation by Electronic Transmission. All solicitations of ballots shall indicate the time by which the ballot must be returned to be counted.

- (i) **SOLICITATION OF VOTES BY WRITTEN BALLOT.** The corporation shall distribute one written ballot to each member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by Section 4.4(c) of these bylaws. All solicitation of votes by written ballot shall (1) indicate the number of responses needed to meet the applicable quorum requirement, (2) with respect to ballots other than for the election of directors, state the percentage of approvals necessary to pass the measure submitted, and (3) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (A) set forth the proposed action, (B) provide an opportunity to specify approval or disapproval of each proposal, and (C) provide a reasonable time in which to return the ballot to the corporation. If the corporation has one hundred or more members, any written ballot distributed to ten or more members shall afford an opportunity on the form of written ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot is distributed, to be acted upon by such written ballot and provide, subject to reasonable specified conditions, that if the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of Officer Directors or other directors, a written ballot in which the Officer Directors or other directors to be voted upon are named therein as candidates and that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote is withheld, whether with respect to all or any identified Officer Director(s) or other director(s), shall not be voted either for or against the election of any Officer Director or other director so identified.
- (ii) **NUMBER OF VOTES AND APPROVALS 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) within the time period 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 (including those ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld). Each action that would separately be voted on by members at a meeting shall be the subject of a separate written ballot. Approvals by written ballot for two or more actions may be sought simultaneously.
- (iii) **REVOCATION.** A written ballot may not be revoked.
- (iv) **FILING.** All written ballots shall be filed with the secretary of corporation and maintained in the corporate records for at least three years.

**Section 4.10 RECORD DATE FOR NOTICE, VOTING, WRITTEN BALLOTS, AND OTHER ACTIONS.**

- (a) **RECORD DATE DETERMINED BY BOARD.** For purposes of determining the members entitled to notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action,

the board may fix, in advance, a record date. The record date so fixed:

- (1) for notice of a meeting shall not be more than ninety or less than ten (10) days before the date of the meeting;
- (2) for voting at a meeting shall not be more than sixty days before the date of the meeting;
- (3) for voting by written ballot shall not be more than sixty days before the day on which the first written ballot is mailed or solicited; and
- (4) for any other lawful action shall not be more than sixty days before that action.

(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 a meeting of members shall be the business day next preceding the day on which notice is given or, if notice is waived, the business day next preceding the day on which the meeting is held and (2) to vote at the meeting shall be 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 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 the date on which the board adopts the resolution relating to that action, or the sixtieth day before the date of that action, whichever is later.

(c) MEMBERS OF RECORD. For purposes of this Section 4.10, a person holding a membership at the close of business on the record date shall be a member of record.

Section 4.11 PROXIES.

- (a) RIGHT TO VOTE BY PROXY. Each member entitled to vote shall have the right to do so either in person or, if approved by the board in its sole discretion with respect to any given meeting of members prior to that meeting, by one or more persons authorized by a written proxy, signed by the member or the member's attorney-in-fact and filed with the secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, typewriting, or otherwise) by the member or the member's attorney-in-fact.
- (b) FORM OF SOLICITED PROXIES. If the corporation has one hundred or more members, any form of proxy distributed to ten or more members shall afford an opportunity on the proxy to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the proxy is distributed, to be acted upon at the meeting for which the proxy is solicited, and shall provide, subject to

reasonable specified conditions, that when the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of Officer Directors or other directors, any form of proxy in which the Officer Directors or other directors to be voted upon are named therein as candidates and that a member marks "withhold," or marks otherwise in a manner indicating that the authority to vote for the election of Officer Directors or other directors is withheld, with respect to all or any identified Officer Director(s) or other director(s), shall not be voted either for or against the election of any Officer Director or other director so identified.

- (c) REQUIREMENT THAT GENERAL NATURE OF SUBJECT OF PROXY BE STATED. Anything to the contrary in these bylaws notwithstanding, any revocable proxy covering matters for which a vote of the members is required pursuant to the provisions of the California Corporations Code specified in Section 7613(g) of said Code shall not be valid as to such matters unless the proxy sets forth the general nature of the matter to be voted on.
- (d) REVOCABILITY. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect until (1) revoked by the member executing it before the vote is cast under that proxy, (i) by a writing delivered to the corporation stating that the proxy is revoked, (ii) by a subsequent proxy executed by that member and presented to the meeting, or (iii) as to any meeting, by the member's personal attendance and voting at the meeting, or (2) written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote under the proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven months from the date of the proxy, unless otherwise provided in the proxy, except that the maximum term of the proxy shall be three years from the date of execution. The revocability of a proxy that states on its face that it is irrevocable shall be governed by Section 7613 of the California Corporations Code. The dates contained on the forms of proxy presumptively determine the order of execution, regardless of the postmark dates on the envelopes in which they are mailed.
- (e) EFFECT OF MEMBER'S DEATH. A proxy is not revoked by the death or incapacity of the maker or the termination of a member's membership as a result thereof, unless, before the vote is counted, written notice of such death or incapacity is received by the corporation.

## ARTICLE 5. DIRECTORS

### Section 5.1 NUMBER; CLASSES OF DIRECTORS.

The corporation shall have no fewer than fifteen and no more than twenty-one directors (not including *ex officio members of the board*), until changed by amendment to these bylaws. The exact number of directors shall be fixed, within the foregoing limits, by the board. The directors, collectively, shall be known as the board of directors and may be referred to herein as the "**board**." The directors shall be classified as follows:

- (a) the chairman, the vice chairman, the chief financial officer or treasurer (as determined by the board from time to time pursuant to Section 8.2(a) of these bylaws), and the secretary, as elected to the board by the general members pursuant to Section 8.2(a) of these bylaws, the past president, continuing his or her membership on the board as provided in



Section 8.2(b) of these bylaws, and any director appointed by the board to fill any vacancy in any such officer position and in any such board seat shall be classified and referred to collectively herein as the “**Officer Directors**”;

- (b) any director elected by the general members pursuant to Section 10.4 of these bylaws and any director appointed by the board to fill any vacancy in any such board seat shall be classified and referred to herein as a “Director” or, collectively, “**Directors**”;
- (c) the director elected by the student members pursuant to Section 10.4 of these bylaws and any director appointed by the board to fill any vacancy in any such board seat, shall be classified and referred to herein as the “**Student Member Director**”;
- (d) the directors, other than the Officer Directors, who are elected by the general members, including any director appointed by the board to fill any vacancy in any such board seat, shall be classified and referred to collectively herein as the “**At Large Directors.**”

#### Section 5.2 QUALIFICATIONS.

Each At Large Director, Officer Director and Director shall be a general member in good standing.

The Student Member Director shall be a general member or student member in good standing. In addition to the foregoing requirements, all directors shall be at least eighteen years of age. The board may from time to time adopt other requirements for any class, or all classes, of directors, without amending these bylaws, provided such requirements are consistent with the foregoing.

#### Section 5.3 ELECTION OF DIRECTORS; STAGGERED TERMS IN OFFICE.

- (a) The board seats shall be divided into the following groups, for purposes of staggering the terms of the directors: (i) Director Group A, the initial members of which shall consist of the initial directors of the corporation designated as Director Group A directors in the action of incorporator attached hereto as Exhibit A (the “**Action of Incorporator**”), which is incorporated herein by this reference, (ii) Director Group B, the initial members of which shall consist of the initial directors of the corporation designated as Director Group B directors in the Action of Incorporator, (iii) Director Group C, the initial member of which shall be the initial president designated in the Action of Incorporator, and (iv) Director Group D, the initial member of which shall be the initial past president designated in the Action of Incorporator. If, at any time, the number of Authorized Directors is increased, the board shall designate any new board seat or seats as Director Group A or Director Group B seats. Director Group C and Director Group D each shall at all times consist of only one director.
- (b) Each initial member of Director Group A shall have a board term that expires September 30, 2006, and thereafter each such board seat shall have successive two-year terms, commencing October 1, 2006. Each initial member of Director Group B shall have a board term that expires September 30, 2007, and thereafter each such board seat shall have successive two-year terms, commencing October 1, 2007. The initial member of Director Group C shall have a board term that expires September 30, 2008, and thereafter the Director Group C board seat shall have successive four-year terms starting October 1,

2008. The initial member of Director Group D shall have a board term that expires September 30, 2006, and thereafter the Director Group D board seat shall have successive four-year terms starting October 1, 2006.

- (c) All director nominees or appointees, other than nominees or appointees to the Director Group C or Director Group D board seats, shall be elected or appointed to either Director Group A or Director Group B, depending on whether the board seat being filled is a Director Group A or Director Group B board seat. As set forth in the Action of Incorporator, the initial president, as an Officer Director, is a member of Director Group C, and his board term expires on September 30, 2008, to enable him to continue to serve on the board as past president upon the expiration of his term as president on September 30, 2006. The first president to be elected by the members, or to be appointed by the board should the members fail to elect a president to serve upon expiration of the initial presidential term on September 30, 2006, shall be elected as a director to Director Group D, with a board term that commences as of October 1, 2006. The next president to be elected by the members, or to be appointed by the board should the members fail to elect a president to serve upon expiration of the second presidential term on September 30, 2008, shall be elected as a director to Director Group C, with a board term that commences as of October 1, 2008. Thereafter, the president shall be elected or appointed as a director alternately to Director Group D or Director Group C, to give each president the opportunity to continue his or her membership on the board for two years as the past president upon expiration of his or her term as president. If a president is elected to serve a second consecutive term as president, (i) he or she shall be elected as a director to Director Group D if his or her first term as director was as a member of Director Group C and *vice versa*, and (ii) the board position that such re-elected president would have occupied as past president upon the expiration of his or her first term as president shall be deemed vacant.

#### Section 5.4 NO COMPENSATION.

The directors shall serve as members of the board without remuneration, whether by way of salary, fee or other consideration for services rendered as a director. This provision shall not be deemed to prohibit the payment of *per diem*, mileage or other reimbursement expenses to a director, nor shall it be deemed to prohibit any compensation authorized by, and approved pursuant to, Section 5.9 of these bylaws or otherwise not relating to the services of a person other than as a director of the corporation.

#### Section 5.5 POWERS.

Subject to the limitations of these bylaws, of the articles of incorporation and of the California Nonprofit Corporation Law, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised under the direction of the board. The board may delegate the management of the activities of the corporation to the chief executive officer or any other person or persons, or to any management company or committee however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the board.

#### Section 5.6 INDEMNIFICATION AND INSURANCE.

- (a) **RIGHT OF INDEMNITY.** To the fullest extent permitted by law, the corporation shall indemnify its directors and officers, 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 Section 7237 of the California Corporations Code, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a director or officer. To the fullest extent permitted by law, the corporation shall have the power to, but shall not by virtue of these bylaws be required to, indemnify its employees and other persons described in said Section 7237, 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 said Section 7237, and including an action by or in the right of the corporation, by reason of the fact that the person is or was such an employee or other person.

**"Expenses,"** as used in this Section 5.6, shall have the same meaning as in said Section 7237.

- (b) **APPROVAL OF INDEMNITY.** On 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, if such person is entitled to indemnity pursuant to the first sentence of paragraph (a) of this Section 5.6, promptly determine under Section 7237(e) 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. In the case of any indemnification not required by said sentence, the board shall not authorize indemnification if the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has not been met.
- (c) **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 the first sentence of paragraph (a) of this Section 5.6 and paragraph (b) of said Section in defending any proceeding covered by said paragraphs shall be advanced by the corporation before final disposition of the proceeding, on receipt by the 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.
- (d) **INSURANCE.** The corporation shall have the right to purchase and maintain insurance to the full 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.

#### Section 5.7 STANDARD OF CONDUCT.

Pursuant to Sections 7231 of the California Corporation Code, a director, regardless of the classification of such director under these bylaws, shall perform duties of a director, including 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 interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) One or more officers or employees of the corporation whom the director believes to be

reliable and competent in the matters presented;

- (b) Counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence; or
- (c) A committee of the board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence.

Provided, that in any such case, the director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

#### Section 5.8 NO VACANCY ON REDUCTION OF NUMBER OF DIRECTORS.

No reduction of the number of Authorized Directors shall have the effect of removing any director before that director's term of office expires. No reduction in the number of student members below the applicable percentage required by the board for student members to be entitled to elect a director shall have the effect of removing any Student Member Director.

#### Section 5.9 CERTAIN ARRANGEMENTS WITH DIRECTORS.

The corporation shall not enter into any employment, consulting or other agreement for the services of a director or of any firm, partnership, corporation or other entity of which such director is a partner, shareholder, member or other owner, unless such agreement expressly excludes payment for such director's services as a director of the corporation and the agreement is approved by non-interested directors constituting a majority of the Authorized Directors. The foregoing shall be in addition to the requirements of Sections 7233, 7234 and 7235 of the California Corporations Code.

### ARTICLE 6. MEETINGS OF THE BOARD OF DIRECTORS

#### Section 6.1 PLACE OF MEETINGS.

Meetings of the board shall be held in any place designated by the board or in the notice of the meeting; provided, however, that no such notice may designate a place for a meeting that is outside of the continental United States, unless such location has been approved by the board. In the absence of any designation of a meeting place by the board or in the notice of the meeting, meetings shall be held at the principal office of the corporation.

#### Section 6.2 ANNUAL MEETING.

Immediately after each annual meeting of members, the board shall hold a regular meeting for purposes of (a) fixing the date and location of the next regular meeting of directors pursuant to Section 6.3 of these bylaws, which next regular meeting shall be after the commencement of the Group A directors term or Group B directors term, as applicable, who were elected at such annual meeting (or by written ballot in lieu of an election at such meeting), and (b) conducting such other business as the board may deem appropriate. Notice of this annual meeting of the board is not required.

### Section 6.3 OTHER REGULAR MEETINGS.

Regular meetings of the board in addition to the annual meeting may be held without notice at such time and place as the board may fix from time to time in accordance with Section 6.1 of these bylaws, if the time and place of such meeting is announced at a prior board meeting, and notice thereof pursuant to Section 6.5 of these bylaws is provided to any board member entitled to attend such regular meeting who was not present at the prior meeting when the time and place of such meeting was announced.

### Section 6.4 SPECIAL MEETINGS.

Special meetings of the board for any purpose or purposes may be called at any time by the chairman or by any directors who, together, constitute a majority of the directors then in office.

### Section 6.5 NOTICE OF MEETING.

Notice of the time and place of the special meetings shall be delivered personally or by telephone (including voice messaging system) to each director or sent by first-class mail, charges prepaid, addressed to each director's address as it is shown on the records of the corporation, or by Electronic Transmission. In case the notice is mailed, it shall be deposited in the United States Mail at least four days before the time of the holding of the meeting. In case the notice is delivered personally or by telephone, it shall be delivered personally or by telephone at least forty-eight hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose of the meeting nor the place if the meeting is to be held at the principal office of the corporation. Whenever any director has been absent from any special meeting of the board, an entry in the minutes to the effect that notice has been duly given shall be conclusive and incontrovertible evidence that due notice of such special meeting was given to such director as required by the California Nonprofit Corporation Law and these bylaws.

### Section 6.6 QUORUM.

Sixty percent of the Authorized Directors, or two directors, whichever is larger, shall constitute a quorum of the board for the transaction of business, except to adjourn, as provided in Section 6.10 of this Article 6. Subject to the provisions of 7233 and 7234 (with respect to the approval of conflicts of interest contracts and transactions), Section 7237(e) (with respect to indemnification of corporate agents), and 5233 (insofar as said Section 5233 is made applicable pursuant to Section 7238) (with respect to assets held in charitable trust), of the California Corporation Code, and subject to Sections 9.2 and 9.3 of these bylaws, every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

#### Section 6.7 WAIVER OF NOTICE.

The transactions of any meeting of the board, however called and noticed or wherever held, shall be as valid as though done at a meeting duly held after regular call and notice, if a quorum is present and if, either before or after the meeting, each of the directors not present provides a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purposes of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting, before or at its commencement, the lack of notice to that director.

#### Section 6.8 CONDUCT OF MEETINGS.

The chairman, or in his or her absence, the vice chairman, if present, or in his or her absence, the past chairman, if present, or any director selected by the directors present shall preside at meetings of the board. Members of the board may participate in a meeting through use of conference telephone, electronic video screen communication, or Electronic Transmission by and to the corporation. Participation in a meeting through use of conference telephone or electronic video screen communication constitutes presence in person at a meeting, as long as all members participating in such meeting can hear one another. Participation in a meeting through use of Electronic Transmission by and to the corporation, other than conference telephone and electronic video screen communication, constitutes presence in person at a meeting if both of the following apply: (a) each director participating in the meeting can communicate with all the other directors concurrently, and (b) each director is provided the means of participating in all matters before the board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

#### Section 6.9 ADJOURNMENT.

A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four hours, in which case, notice of the time and place shall be given before time of the adjourned meeting, in the manner specified in Section 6.5 of these bylaws, to the directors who were not present at the time of adjournment.

#### Section 6.10 ACTION WITHOUT MEETING.

Any action required or permitted to be taken by the board may be taken without a meeting if all members of the board shall individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the board. Such written consent or consents shall be filed with the minutes of the proceedings of the board.

## ARTICLE 7. DIRECTOR VACANCIES, RESIGNATIONS AND REMOVAL

### Section 7.1 DECLARATION OF VACANCY.

The board may declare vacant the office of any director on the occurrence of any of the following events:

- (1) The director has been declared of unsound mind by a final order of court;
- (2) The director has been convicted of a felony; or
- (3) The director misses two consecutive meetings without reasonable cause.

In addition, the board, by a majority vote of the directors who meet all of the required qualifications to be a director as applicable to such directors and as provided in these bylaws, may declare vacant the office of any director who fails or ceases to meet any required qualifications to be a director as were applicable to such director and were provided in these bylaws at the beginning of that director's current term of office.

### Section 7.2 REMOVAL OF DIRECTORS.

If the corporation has fifty or more members, the directors may be removed by vote of the members as follows (and cause need not be shown therefor):

- (a) Any At Large Director or Director may be removed by Approval by a Quorum of Outstanding Members (as defined in Article 12 of these bylaws), with only the general members entitled to vote and included in the quorum determination for such vote;
- (b) Any Student Member Director may be removed by Approval by a Quorum of Outstanding Members, with only the student members entitled to vote and included in the quorum determination for such vote;

If the corporation has fewer than 50 members, any director may be removed by the members without cause in accordance with Section 7222 of the California Corporations Code.

### Section 7.3 RESIGNATION OF DIRECTOR.

Any director may resign effective on giving written notice to the chairman, the secretary, or the board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a later time, a successor may be elected to take office when the resignation becomes effective. A chairman who is a member of Director Group C during his or her first term as chairman, and who is elected as chairman to serve for a second consecutive term, shall be deemed to have resigned from the board as a member of Director Group C concurrently with his or her re-election as chairman and as a member of Director Group D. A chairman who is a member of Director Group D during his or her first term as chairman, and who is elected as chairman to serve for a second consecutive term, shall be deemed to have resigned from the board as a member of Director Group D concurrently with his or her re-election as chairman and as a member of Director Group C. Any resignation of

an Officer Director as a director shall not be deemed a resignation from his or her position as an officer, unless the resignation notice so provides.

#### Section 7.4 VACANCIES ON THE BOARD.

In addition to any vacancy declared pursuant to Section 7.1 of these bylaws, a vacancy on the board shall exist on the death, resignation (including, without limitation, a deemed resignation pursuant to Section 7.3 of these bylaws) or removal of any director, the expiration of a director's term, or whenever the number of directors authorized is increased.

#### Section 7.5 FILLING VACANCIES.

Vacancies on the board, other than vacancies created by the removal of a director, may be filled by approval of the board, within the meaning of Section 5032 of the California Corporation Code, or if the number of directors then in office is less than a quorum, by (a) the unanimous written consent of the directors then in office, (b) the affirmative vote of a majority of the directors then in office at a meeting held pursuant to notice or waivers of notice complying with Section 7211 of the California Corporation Code, or (c) a sole remaining director. Vacancies created by removal of a director may be filled only by Approval by a Quorum of Outstanding Members and in such case only by those members entitled to elect the director who was removed, with only such members included in the determination of the applicable quorum. The members may elect a director at any time to fill any vacancy not filled by the directors, to the extent such members possess voting rights entitling them to elect the director to the vacancy being filled. The term of office for each director elected or appointed to fill a vacancy shall expire on the last day of the applicable Director Group A, Director Group B, Director Group C, or Director Group D term of the board seat being filled.

### ARTICLE 8. OFFICERS

#### Section 8.1 GENERAL.

The officers of the corporation shall be a chairman, a chief executive officer, a vice chairman, a secretary, a chief financial officer, a treasurer, a past chairman, and such other officers with such titles and duties as shall be determined by the board. The same person may hold any number of offices. All officers shall be general members at all times while in office.

#### Section 8.2 ELECTION AND APPOINTMENT.

- (a) Except for officers appointed by the board to fill a vacancy, the chairman, the vice chairman, the secretary and either the chief financial officer or the treasurer (as determined by the board as provided below) each shall be elected to his or her office by the general members, voting as a group, and, concurrently therewith, shall be elected as an Officer Director in accordance with Section 5.3 of these bylaws. The term of office for each of the foregoing officers, other than the chairman, shall expire when the corresponding Officer Director term expires (*i.e.*, the applicable Director Group A term, Director Group B term, Director Group C term or Director Group D term). The term of office for each chairman shall expire on the second September 30 to occur after the



commencement of the corresponding Officer Director term (*i.e.*, the applicable Director Group C term or Director Group D term). All nominations, written ballots and proxies, if any, relating to the election of such officers shall indicate that they are also being elected as directors. The chief financial officer shall be an Officer Director as provided above, unless the board determines that the treasurer, rather than the chief financial officer, shall be an Officer Director. Such determination may be made by the board and reversed from time to time in the board's sole discretion. Regardless of the commencement date of the term of any officer who is also an Officer Director (*e.g.*, an officer whom the board appoints to fill a vacancy in any of the foregoing offices and who is also appointed as an Officer Director to fill a vacancy in such board seat), such term shall expire at the applicable time specified above. A person may not serve for more than two consecutive terms in the same Officer Director position, nor may a person serve for more than two consecutive terms a Director, a Student Member Director, or an At Large Director ; provided, however, that any partial board term served by a person appointed or elected to the board to fill a vacancy shall not be included as full term for purposes of the foregoing determination, unless he or she served more than one year in such capacity.

- (b) Upon an Officer Director chairman's completion of his or her entire term, he or she shall, without further action by him or her, any members or the board, become the past chairman with a term that expires upon expiration of his or her Group C Director term or Group D Director term, as applicable. Notwithstanding the foregoing, a chairman shall not become past chairman as provided in the foregoing, if he or she is elected to serve as chairman for a second consecutive term. In such event, a vacancy in the office of past chairman shall be deemed to exist upon expiration of such chairman's first term in office. A board-appointed chairman (*i.e.*, a chairman appointed by the board to fill a vacancy) shall not become the past chairman upon expiration of his or her term as chairman, unless the board appoints him or her as past chairman. No person may simultaneously serve as chairman and past chairman.
- (c) Any officers of the corporation, other than those to be elected by the members pursuant to paragraph (a) of this Section 8.2, shall be appointed by the board and not elected by the members, except that a chairman may become past chairman automatically upon expiration of his or her term as provided in paragraph (b) of this Section 8.2. Each such officer shall have such term of office as shall be designated by the board. If the board determines that the chief financial officer shall not be a director pursuant to paragraph (a) of this Section 8.2, then the chief financial officer shall be subject to this paragraph (c).
- (d) The board shall promptly fill any vacancy, however arising, in any office. The members may not fill officer vacancies, even if the officer position is subject to member election pursuant to paragraph (a) of this Section 8.2, although this restriction shall not be deemed to limit the right of members to fill any Officer Director board seat vacancy that has not been filled by the board. The board's appointment of a person as an officer shall not be construed as an appointment to the board, unless the board specifically appoints said person to the board to fill a vacancy thereon in accordance with these bylaws. The term of office for any officer appointed by the board to fill a vacancy shall be as designated by the board, unless such officer also is appointed to fill a vacancy in the corresponding Officer Director board seat, in which case, the term of office for such officer shall be the same as his or her Officer Director board term.

### Section 8.3 CHAIRMAN.

The chairman shall serve as chair of the board, shall preside at all meetings of members, the board and the Executive Committee, shall assist the Executive Committee in supervising the chief executive officer, and shall have such other powers and perform such other duties as the board may assign from time to time. He or she shall appoint and have the power to remove, subject to the approval of the Executive Committee, all committees of the corporation that do not exercise the authority of the board, other than the Nominations and Governance Committee. In the absence of the chief executive officer, the chairman shall perform all duties of the chief executive officer. When so acting, the chairman shall have all the powers of and be subject to all restrictions applicable to the chief executive officer. Notwithstanding anything to the contrary in the foregoing, the chairman shall not be made subject to, nor acquire any rights under, any employment agreement or other employment arrangement between the corporation and the chief executive officer and shall be required to provide only such services as he or she may agree to provide on an interim basis until the chief executive officer becomes available or a new chief executive officer has been appointed.

### Section 8.4 CHIEF EXECUTIVE OFFICER.

Subject to supervision by the Executive Committee and to such supervisory powers that the board may give to the chairman, and subject to control of the board, the chief executive officer shall be the general manager of the corporation and shall supervise, direct and control the corporation's activities, affairs and staff. The chief executive officer shall have such other powers and duties as the board may prescribe from time to time. Unless otherwise directed by the board, and subject to any employment agreement between the corporation and the chief executive officer, the chief executive officer shall report to the chairman. The chief executive officer shall be an *ex officio*, non-voting member of the board and of the Executive Committee, but he or she may be excluded from participation in any meeting or discussion by the board or the Executive Committee at its discretion.

### Section 8.5 VICE CHAIRMAN.

In the absence of the chairman, the vice chairman shall perform all the duties of the chairman, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the chairman, except that the vice chairman shall not be required to perform the duties, or be entitled to exercise the powers, of the chief executive officer as a result of the absence of the chief executive officer and the chairman. The vice chairman shall have such other powers and perform such other duties as from time to time may be prescribed for him or her by the board or these bylaws. Notwithstanding anything to the contrary in the foregoing, the vice chairman shall not perform any duties of the chief executive officer.

### Section 8.6 SECRETARY.

The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, a book of minutes of all meetings and actions of directors, committees of directors, and members with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at directors' meetings or committee meetings, and the number of members present or represented at members' meetings. The secretary shall keep or cause to be kept, at the principal office in California, a copy of the articles of incorporation and bylaws, as amended to date. The secretary shall keep or cause to be kept, at the corporation's principal office or at

a place determined by the board, a record of the corporation's members, showing each member's name, address (including electronic mail address, if provided), and class of membership. The secretary shall give, or cause to be given, notice of all meetings of members, the board, and of committees of the board required by these bylaws to be given. The secretary shall have such other powers and perform such other duties as may be prescribed by the board or by these bylaws.

#### Section 8.7 CHIEF FINANCIAL OFFICER.

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The chief financial officer shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, these bylaws or the board. The books of account shall at all reasonable times be open to inspection by any director. The chief financial officer shall deposit all monies and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the board, he or she shall disburse the funds of the corporation as may be ordered by the board and shall render to the chairman, the chief executive officer and the directors, whenever they request it, an account of all of his or her transactions as chief financial officer and of the financial condition of the corporation. He or she shall have other powers and perform such other duties as may be prescribed by the board or these bylaws.

#### Section 8.8 TREASURER.

So long as the chief financial officer is an Officer Director, then the chief financial officer shall also be the treasurer and, as such, shall have no additional powers or duties beyond those as are set forth in Section 8.7 of these bylaws or as may otherwise be prescribed by the board or these bylaws. If the board determines that the chief financial officer shall not be an Officer Director, then the treasurer shall not be the same person as the chief financial officer, shall be elected by the members as an Officer Director as provided in Section 8.2 of these bylaws, and shall have such powers and duties as the board may determine.

#### Section 8.9 PAST CHAIRMAN.

In the absence of the chairman and the vice chairman, the past chairman shall perform all duties of the chairman. When so acting, the past chairman shall have all powers of and be subject to all restrictions on the chairman. The past chairman shall make himself or herself available to the board for consultation with respect to matters relating to the corporation and his or her term as chairman. Notwithstanding anything to the contrary in the foregoing, the past chairman shall not perform any duties of the chief executive officer.

#### Section 8.10 REMOVAL AND RESIGNATION OF OFFICERS.

Subject to the rights, if any, of an officer under any contract or employment, all officers serve at the pleasure of the board, and any officer, including, without limitation, any officer elected by the members, may be removed, either with or without cause, by the board. Any officer may resign as an officer at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice

to the rights, if any, of the corporation under any contract to which the officer is a party. Any removal of an officer by the board shall not be deemed a removal of such officer from his or her office as director, if such officer is also a director. Any resignation of an officer as an officer shall not be deemed a resignation from the board, unless the resignation notice so provides.

## ARTICLE 9. COMMITTEES

### Section 9.1 STANDING COMMITTEES.

The corporation shall have six standing committees: the Executive Committee, the Nominations and Governance Committee the Finance Committee, the Risk Oversight Committee, the Audit and Compliance Committee and the Human Resources Committee.

### Section 9.2 EXECUTIVE COMMITTEE.

The Executive Committee shall be a committee of the board and shall be comprised of the chairman, the vice chairman, the past chairman, the chief financial officer and the secretary, but no such officer may serve on the Executive Committee, unless he or she is an Officer Director. If the chief financial officer is not an Officer Director, the treasurer shall be a member of the Executive Committee, so long as he or she is an Officer Director. The board may appoint one or more directors as alternate members of the Executive Committee, who may replace any absent member at any meeting of the Executive Committee. The chief executive officer shall be an *ex officio* non-voting member of the Executive Committee, but the Executive Committee may exclude him or her from participation in any meeting or discussion by the Executive Committee at its discretion. The Executive Committee shall have all the powers and authority of the board in the management of the business and affairs of the corporation, except with respect to:

- (a) The approval of any action for which the California Nonprofit Corporation Law also requires, or the articles of incorporation or these bylaws also require, Approval by a Quorum of Outstanding Members or Approval by a Majority of Outstanding Members (as defined in Article 12 of these bylaws).
- (b) The filling of vacancies on the board or in any committee that has the authority of the board.
- (c) The fixing of compensation of the directors for serving on the board or on any committee.
- (d) The amendment or repeal of these bylaws or the adoption of new bylaws.
- (e) The amendment or repeal of any resolution of the board that by its express terms is not so amendable or repealable.
- (f) The appointment of committees of the board or the members thereof.
- (g) The expenditure of corporate funds to support a nominee for director after there are more people nominated for director than can be elected.
- (h) With respect to any assets held in charitable trust, the approval of any self-dealing

transaction except as provided in Section 5233 (d) (3) of the California Corporations Code.

- (i) The hiring of the chief executive officer, or any other person having executive-level functions, the terms of any employment agreement between the corporation and the chief executive officer or any such other person, and the termination of the employment of the chief executive officer or any such other person; provided, however, that (A) the Executive Committee may place the chief executive officer or any such other person on leave with pay, if the Executive Committee determines that such action is appropriate pending final action by the board, and (B) the Executive Committee shall have all the powers and authority of the board to hire the chief executive officer, or any other person having executive-level functions, to approve the terms of any employment agreement between the corporation and the chief executive officer or any such other person, and to approve the termination of the employment of the chief executive officer or any such other person, if and to the extent expressly given such authority from time to time by resolution adopted by a majority of the number of directors then in office, provided that a quorum is present at any meeting at which such resolution is adopted.

### Section 9.3 OTHER COMMITTEES OF THE BOARD.

The board may, by resolution adopted by a majority of the number of directors then in office, provided that a quorum is present at any meeting at which such resolution is adopted, create additional committees of the board, each consisting of two or more directors, to exercise such authority of the board as the board may by said resolution delegate, subject to Section 7212 of the California Corporations Code. All directors on any such committee shall serve at the pleasure of the board. Appointments to such committees shall be by majority vote of the directors then in office.

### Section 9.4 NOMINATIONS AND GOVERNANCE COMMITTEE.

The Nominations and Governance Committee shall be a committee of the corporation, but not of the board, and it shall have no power or authority of the board. Said Committee shall perform only the functions set forth in Article 10 of these bylaws. The Nominations and Governance Committee shall be comprised of five or more persons, as determined by the board from time to time, one of whom shall be the past chairman, and the rest shall be members (of any class) in good standing. The number of seats on the Nominations and Governance Committee shall always be an odd number. No more than three of the persons serving on the Nominations and Governance Committee may be directors. The board shall make all appointments to the Nominations and Governance Committee (other than the past chairman, who shall automatically be deemed a member of the Nominations and Governance Committee upon commencement of his or her term as past chairman), shall fill all vacancies on said Committee (including any vacancy arising from the past chairman's absence from said Committee, as a result of resignation, removal or otherwise), and shall have the power to remove any person from said Committee in the board's sole discretion with or without cause. The board may only appoint a member in good standing to fill any vacancy on the Nominations and Governance Committee. The Nominations and Governance Committee shall function pursuant to such rules as the board may adopt for said Committee from time to time.

#### Section 9.5 FINANCE COMMITTEE.

The Finance Committee shall be a committee of the corporation, but not of the board, and it shall have no power or authority of the board. The Finance Committee shall provide such assistance to the board as the board may request from time to time with respect to the following: (a) the integrity of the corporation's financial statements, (b) the corporation's compliance with regulatory requirements, (c) the qualifications and independence of the corporation's independent auditor, and (d) other matters relating to the board's responsibility to oversee the corporation's financial reporting. The Finance Committee shall be comprised of the Officer Director that is the chief financial officer or the treasurer and such other persons as the Executive Committee may appoint. The number of seats on the Finance Committee shall always be an odd number. The board shall make all appointments to the Finance Committee (other than the chief financial officer, who shall automatically be deemed a member of the Finance Committee upon commencement of his or her term as chief financial officer), shall fill all vacancies on said Committee, and shall have the power to remove any person from said Committee in the board's sole discretion with or without cause. The Finance Committee shall function pursuant to such rules as the board may adopt for said Committee from time to time.

#### Section 9.6 RISK OVERSIGHT COMMITTEE.

The Risk Oversight Committee shall be a committee of the corporation, but not of the board, and it shall have no power or authority of the board. Said committee shall identify, evaluate and mitigate risk exposure to the corporation. It shall prioritize and coordinate with the corporation's staff and legal counsel the assessment, mitigation and measurement mechanisms as required in all areas. The Risk Oversight Committee shall be comprised of a Director as determined by the board from time to time. The number of seats on the Risk Oversight Committee shall always be an odd number. The board shall make all appointments to the Risk Oversight Committee, shall fill all vacancies on said Committee, and shall have the power to remove any person from said Committee in the board's sole discretion with or without cause. The Risk Oversight Committee shall function pursuant to such rules as the board may adopt for said Committee from time to time.

#### Section 9.7 AUDIT AND COMPLIANCE COMMITTEE.

The Audit and Compliance Committee shall be a committee of the corporation, but not of the board, and it shall have no power or authority of the board. Said Committee shall ensure that the corporation has a timely annual financial statement audit and that any control weaknesses are fully addressed by management and that the corporation is in compliance with any and all applicable regulations. The Audit and Compliance Committee shall be comprised of a Director, as determined by the board from time to time. The number of seats on the Audit and Compliance Committee shall always be an odd number. The board shall make all appointments to the Audit and Compliance Committee, shall fill all vacancies on said Committee, and shall have the power to remove any person from said Committee in the board's sole discretion with or without cause. The Audit and Compliance Committee shall function pursuant to such rules as the board may adopt for said Committee from time to time.

## Section 9.8 HUMAN RESOURCE COMMITTEE.

The Human Resource Committee shall be a committee of the corporation, but not of the board, and it shall have no power or authority of the board. Said committee shall conduct a periodic review of the corporation's human resources policies and recommend changes as necessary to ensure legal compliance and adherence to the values and mission of the corporation. It shall coordinate the annual evaluation of the chief executive officer and present the findings of the evaluation to the board. The Human Resource Committee shall be comprised of a Director, as determined by the board from time to time. The number of seats on the Human Resource Committee shall always be an odd number. The board shall make all appointments to the Human Resource Committee, shall fill all vacancies on said Committee, and shall have the power to remove any person from said Committee in the board's sole discretion with or without cause. The Human Resource Committee shall function pursuant to such rules as the board may adopt for said Committee from time to time.

## Section 9.9 OTHER ADVISORY COMMITTEES.

The corporation shall have such other committees as may from time to time be designated by the board. The members of such committees shall be appointed by, and serve at the pleasure of, the chairman, except that no appointment may be made by the chairman without prior approval of the Executive Committee or ratification by the Executive Committee within fifteen days after the appointment. Such committees may consist of persons who are not also directors or members and shall act only in an advisory capacity to the board. The chairman and the chief executive officer shall be *ex officio*, non-voting members of all such committees.

# ARTICLE 10. NOMINATIONS AND ELECTIONS

## Section 10.1 GENERAL.

This Article 10 shall govern the nomination and election of directors and the officers who are to be elected as Officer Directors by the members pursuant to Section 8.2 of these bylaws. For purposes of nomination and election, the nominees for the board positions to be filled at any meeting of members at which directors are to be elected, or pursuant to written ballot in lieu of an election at such meeting, shall be divided into the following categories, as applicable: (a) persons being nominated as Officer Directors ("**Officer Nominees**"), (b) persons being nominated as Directors ("**Director Nominees**"), (c) a person being nominated as a Student Director ("**Student Member Nominee**"), and (d) persons being nominated as At Large Directors ("**At Large Nominees**"). No person shall be nominated or elected to the position of Student Member Director, unless at the time of nomination the student members in good standing and entitled to vote comprise at least such percentage of all of the members in good standing as the board shall have determined to be the minimum percentage for Student Members to have the right to elect a Student Member Director to the board.

## Section 10.2 NOMINATIONS.

So long as the corporation has fewer than five hundred members, the board shall make available to members reasonable nomination and election procedures given the nature, size and operations of the corporation, including, at the board's discretion, those set forth herein.

So long as the corporation has five hundred or more members, but subject to Section 5.1 of these bylaws, a qualified person may be nominated as a director to any of the categories set forth in Section 10.1, by any of the following methods:

- (a) by the Nominations and Governance Committee pursuant to Section 10.3 of these bylaws; or
- (b) by petition delivered to any officer of the corporation, signed within eleven months preceding the next time directors will be elected, but delivered no later than sixty days prior to said time, by members representing the following number of votes (as applicable): (i) two percent of the Voting Power with respect to any director position that is the subject of such petition, if the corporation has fewer than five thousand members, or (ii) one-twentieth of one percent of the Voting Power with respect to any director position that is the subject of such petition, but no fewer than one hundred votes, if the corporation has five thousand or more members; or
- (c) by any member in good standing who is present in person (or by proxy, if proxies are permitted) at a meeting to elect directors; provided, however, that a student member may only nominate a Student Member Nominee, and a general member may nominate an Officer Nominee, Director Nominee or an At Large Nominee.

#### Section 10.3 NOMINATIONS AND GOVERNANCE COMMITTEE.

Not later than sixty days prior to each annual meeting of members, the Nominations and Governance Committee shall submit to the secretary a report that

- (a) identifies one Officer Nominee for each office scheduled to be filled, a Director Nominee, if a Director office is scheduled to be filled, and a Student Member Nominee, if a Student Member Director office is scheduled to be filled), and an At Large Nominee for each At Large Director office scheduled to be filled,
- (b) identifies the persons serving on the Nominations and Governance Committee as of the date of such report,
- (c) includes a statement for each nominee summarizing the qualifications of each nominee and such other information as the Nominations and Governance Committee may consider appropriate or that the board may require to be included in such report, and
- (d) states whether such nominees will be elected by written ballot in lieu of an election at such meeting. Said report shall only contain the names of such persons as have consented to serve in the offices and board seats for which they are being nominated. The Nominations and Governance Committee also shall submit such a report to the secretary not later than sixty days prior to,
  - (i) any special meeting of members at which any director or directors will be elected, and
  - (ii) the first day on which written ballots will be sent to members with respect to any election of any director or directors to be held by written ballot in lieu of a special meeting of members. Upon receipt of any report under this Section 10.2, the secretary shall provide a complete copy of said report to each member within fifteen



days after receipt, in accordance with the notice provisions set forth in Section 4.4(c) of these bylaws.

#### Section 10.4 ELECTION OF DIRECTORS AND SPECIFIED OFFICERS.

If, with respect to any director election and as of the close of nominations, no more than one Officer Nominee has been nominated in accordance with this Article 10 for any given Officer Director position (*e.g.*, if there is no more than one Officer Nominee for the chairman/board position), no more than one Director Nominee has been nominated for the Director position or no more than one Student Member Nominee has been nominated for the Student Member Director position, as applicable, then the secretary shall declare such director to have been elected without any further action of the board, the members or the corporation, but only if the corporation had five thousand or more members at the commencement of the nominations process. If (i) the corporation had fewer than five thousand members at the commencement of the nominations process, or (ii) the corporation had five thousand or more members as of said commencement and there is, with respect to any such position, more than one nominee, then the following shall apply, subject to the quorum requirements of these bylaws applicable to member meetings and voting by written ballot without a meeting:

- (a) The Officer Nominee for a given position (*i.e.*, chairman, vice chairman, chief financial officer (or treasurer) or secretary) who receives the affirmative vote of the majority of the Voting Power of general members represented at the meeting, or represented by valid written ballots in the case of an election by written ballots without a meeting, shall be deemed elected to that position and to the board.
- (b) The Director Nominee who receives the affirmative vote of the majority of the Voting Power of the general members represented at the meeting, or represented by valid written ballots of such members in the case of an election by written ballots without a meeting, shall be deemed elected to the board.
- (c) The Student Member Nominee who receives the affirmative vote of the majority of the Voting Power of the student members represented at the meeting, or represented by valid written ballots of such members in the case of an election by written ballots without a meeting, shall be deemed elected to the board.

Should no person be elected to any of the aforementioned board seats (including, without limitation, Officer Director board seats) as a result of the failure of any person to receive the requisite votes or otherwise, the board seat not filled will be deemed vacant and may be filled by the board.

#### Section 10.5 FILLING OF VACANCIES IN STUDENT MEMBER DIRECTOR POSITION.

In the event the number of student members shall at any time be below the minimum percentage of all members that the board has determined is required for student members to be entitled to nominate and elect a director to the board, any vacancy in an Student Member Director board seat that occurs at such time may be filled by the board either as a Student Member Director board seat or as an At Large Director board seat, as designated by the board at the time such vacancy is filled.

## ARTICLE 11. EFFECTIVE DATE AND AMENDMENTS

### Section 11.1 EFFECTIVE DATE.

These bylaws shall become effective immediately upon their adoption by the incorporator of the corporation or the board. Each Amendment to these bylaws shall become effective immediately upon its adoption, unless the incorporator, board or members adopting it provides in his, its or their adopting resolutions that such amendment is to become effective at a later date.

### Section 11.2 AMENDMENTS AND REPEAL.

- (a) Except as provided in paragraph (b) of this Section 11.2, the board may amend these bylaws, or repeal these bylaws and adopt new bylaws, unless the action would:
  - (i) materially and adversely affect members' 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; or
  - (iv) authorize a new class of members.
- (b) Once members have been admitted to the corporation, the following amendments to these bylaws (including any adoption of new bylaws that would effect any such amendment) may be adopted only by Approval by a Majority of Outstanding Members, with the general members being the only members entitled to vote on said matter and included in the quorum determination for such vote:
  - (i) any amendment to the extent it cannot be adopted by the board pursuant to clauses (i) through (iv) of paragraph (a) of this Section 11.2;
  - (ii) any amendment to the extent that it would require the number of directors to be a fixed number stated in the bylaws, that would change the maximum or minimum number of directors as stated in the bylaws, or that would change the board from a board whose number of directors is variable as stated in these bylaws to a board whose number of directors is fixed as stated in these bylaws or *vice versa*;
  - (iii) any amendment to the extent that it would allow the board to fill any vacancy on the board created by the removal of a director;
  - (iv) any amendment to the extent that it would increase any quorum for members' meetings;
  - (v) any amendment to the extent that it would repeal, restrict, create or expand proxy rights;
- (c) With or without board approval,

- (i) amendments to these bylaws (including any adoption of new bylaws that would effect any such amendments), whether or not identified in paragraph (b) of this Section 11.2, may be adopted by Approval by a Majority of Outstanding Members, with only general members being entitled to vote thereon and included in the quorum determination for such vote, and
- (ii) these bylaws may be repealed and new bylaws adopted by Approval by a Majority of Outstanding Members, with only the general members entitled to vote thereon and included in the quorum determination for such vote; provided, however, that any such amendment, repeal or adoption of new bylaws shall also require approval by the members of a class to the extent required under Section 7150 of the California Corporations Code.
- (d) Notwithstanding anything to the contrary in paragraph (b) or (c) of this Section 11.2, only Approval by a Quorum of Outstanding Members, with only general members being entitled to vote thereon and included in the quorum determination for such vote, shall be required (and not Approval by a Majority of Outstanding Members) under said paragraphs for any amendment to these bylaws (including any adoption of new bylaws that would effect any such amendment), if, prior to the vote, the board adopts resolutions designating such amendment as a matter for which Approval by a Quorum of Outstanding Members, rather than Approval by a Majority of Outstanding Members, shall be permitted hereunder, even if such matter is of the type that may not be adopted by the board pursuant to paragraph (a) or (b) of this Section 11.2.

## ARTICLE 12. MISCELLANEOUS

### Section 12.1 CHECKS, DRAFTS, ETC.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the corporation shall be signed or endorsed by the chief executive officer or by such other person or persons as from time to time shall be determined by resolution of the board.

### Section 12.2 EXECUTION OF CONTRACTS.

The board may authorize any officer(s) or agent(s) to enter into any contract or execute any contract or any instrument in the name of and on behalf of the corporation and may determine the manner of such execution. Such authority may be general or confined to specific instances, and, unless so authorized by the board, no officer, agent or employee 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 for any purpose or in any amount.

### Section 12.3 FISCAL YEAR.

The fiscal year of the corporation shall begin on the first day of October and end on the last day of September each year, unless otherwise designated by the board.

#### Section 12.4 MINUTES OF MEETINGS.

The corporation shall keep at its principal office, or at such other place as the board may order, a book of the minutes of all meetings of the board, meetings of committees of the board and meetings of members, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present or represented at members' meetings, and the proceedings thereof. These minutes, and the books and records of account required under Section 12.5 of these bylaws, shall be kept either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the foregoing.

#### Section 12.5 BOOKS OF ACCOUNT.

The corporation shall keep and maintain adequate and correct books and records of account of its properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

#### Section 12.6 ANNUAL REPORT.

- (a) The corporation shall prepare, or cause to be prepared, an annual report within one hundred and twenty days after the close of the corporation's fiscal year. If approved by the board, the corporation may send such report and any accompanying material by Electronic Transmission. Such report shall contain the following information in appropriate detail:
  - (i) A balance sheet as of the end of such 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. For purposes of these bylaws, the term “**independent accountant**” shall mean a certified public accountant or public accountant who is independent of the corporation, as determined in accordance with generally accepted auditing standards, and who is engaged to audit financial statements of the corporation or perform other accounting services.
  - (ii) Any information required under Section 12.7 of these bylaws.
  - (iii) A statement of the place where the names and addresses of the current members are located.
- (b) The corporation shall notify each member annually of the member's right to receive a financial report under this Section 12.6. Except as provided in paragraph (c) of this Section 12.6, 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 12.6 shall not apply if the corporation receives less than ten thousand dollars in gross revenues or receipts during the fiscal year.

## Section 12.7 ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATION.

As part of the annual report to all members the corporation shall annually furnish to its members and directors a statement of any transaction or indemnification of the following kinds:

- (a) unless Approval by a Quorum of Outstanding Members is obtained under Section 7233(a) of the California Corporations Code, with only the general members entitled to vote and included in the quorum determination for such vote, any transaction (including, without limitation, compensation of officers and directors) occurring during the previous fiscal year (1) to which the corporation, or its parent or subsidiary, was a party, (2) which involved more than fifty thousand dollars or was one of a number of such transactions with the same person involving, in the aggregate, more than fifty thousand dollars, and (3) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material financial interest): (i) any director or officer of the corporation, or its parent or subsidiary, or (ii) any holder of more than ten percent of the Voting Power of the corporation, or its parent or subsidiary. 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 paid during the fiscal year to any officer or director of the corporation, unless Approval by a Quorum of Outstanding Members of the loan, guaranty, indemnification, or advance has already been obtained (with only the general members entitled to vote and included in the quorum determination for such vote), or the loan or guaranty is not subject to the provisions of Section 7235(a) of the California Corporations Code.

If, pursuant to Section 12.6(c) of these bylaws, the corporation does not issue an annual report to all members, the corporation shall satisfy the requirements of this Section 12.7 by mailing or delivering to its members the required statement within one hundred twenty days after the close of the corporation's fiscal year. If approved by the board, the corporation may send said statement by Electronic Transmission.

## Section 12.8 RULES OF ETHICAL CONDUCT.

Each member who is subject to the rules of ethical conduct of the American Institute of Certified Public Accountants (the "**Institute**") as are in effect from time to time shall comply with said rules in all respects. Any changes in said rules shall be deemed part of this Section 12.8 upon adoption by the Institute, unless otherwise determined by the board. Each member shall comply with any other rules of professional conduct applicable to him or her as may be adopted from time to time by the board.

## Section 12.9 ELECTRONIC TRANSMISSION; WRITING; DAYS.

For purposes of these bylaws, the term "**Electronic Transmission**," whether by or to the corporation, shall have the applicable meaning set forth in Sections 20 or 21 of the California Corporations Code. Notwithstanding anything to the contrary in these bylaws, an Electronic Transmission to an individual member under these bylaws is not authorized unless, in addition to satisfying the requirements of Section 20 of the California Corporations Code and

these bylaws, the transmission satisfies the requirements applicable to consumer consent to electronic records as set forth in the Electronic Signatures in Global and National Commerce Act (15 U.S.C. Sec. 7001(c) (1)). As used in these bylaws, the term “**writing**” (including “written”) shall have the meaning set forth in Section 8 of the California Corporations Code as in effect from time to time. Without limiting the foregoing, the term “writing” (including “written”) shall include any form of recorded message capable of comprehension by ordinary visual means, and, when used to describe communications between the corporation and its members or directors, the term shall include Electronic Transmissions by and to the corporation. Any reference to “**days**” in these bylaws shall mean calendar days, unless otherwise specified.

#### Section 12.10 CERTAIN DEFINED TERMS.

For purposes of these bylaws, the following terms shall have the definitions indicated:

- (a) “**Approval by a Majority of Outstanding Members**” means, with respect to any member action, approved or ratified by the affirmative vote (or written ballot in conformity with Section 7513 of the California Corporations Code) of a majority of the votes entitled to be cast on such member action, or such greater proportion, including all, of the votes entitled to be cast, as may be required under the California Nonprofit Mutual Benefit Law with respect to the member action. Such approval shall include the affirmative vote of a majority of the outstanding memberships of each class, unit, or grouping of members entitled under these bylaws or the California Nonprofit Mutual Benefit Corporation Law to vote as a class, unit or grouping of members on the subject matter being voted upon and shall also include the affirmative vote of such greater proportion, including all, of the votes of the membership of any class, unit, or grouping of members if such greater proportion is required by California Nonprofit Mutual Benefit Corporation Law.
- (b) “**Approval by a Quorum of Outstanding Members**” means, with respect to any member action, approved or ratified by (i) the affirmative vote of a majority of the votes entitled to vote on the member action and represented and voting at a duly held meeting at which a quorum for the member action is present (which affirmative votes also constitute a majority of the required quorum), or (ii) written ballots cast in favor of the member action by a majority of those members entitled to vote on the member action and casting votes with respect to the member action, provided the total number of votes cast constitutes a quorum, in conformity with Section 7513 of the California Corporations Code, or (iii) the affirmative vote or written ballot of such greater proportion, including all, of such votes or ballots cast, as may be provided in the California Nonprofit Mutual Benefit Corporation Law for the member action, provided the total number of votes cast constitutes a quorum. In the event approval by any class, unit or grouping is required with respect to any such member action under these bylaws or the California Nonprofit Mutual Benefit Law, then “**Approval by a Quorum of Outstanding Members**” shall include majority approval determined on the basis of such class, unit or grouping or such greater proportion, including all, of the votes entitled to be cast, as may be required under the California Nonprofit Mutual Benefit Law with respect to the member action, provided the total number of votes cast by the members of such class, unit or grouping constitute a quorum with respect to such class, unit or grouping.
- (c) “**Authorized Directors**” means the authorized number of directors as determined from time to time by the board within the limits set forth in Section 5.1 of these bylaws.

- (d) “**Voting Power**” has the meaning set forth in the California Nonprofit Mutual Benefit Corporation Law. For purposes of the determination of Voting Power, the Voting Power of a member who is not entitled to vote on a given matter shall not be counted when determining the existence of a quorum with respect to any action concerning such matter or the required vote to approve such action.