

FIRST AMENDED AND RESTATED BYLAWS
OF
HISPANIC BAR ASSOCIATION OF ORANGE COUNTY,
a California nonprofit mutual benefit corporation

ARTICLE 1

NAME

The name of this Corporation is Hispanic Bar Association of Orange County.

ARTICLE 2

PRINCIPAL OFFICE

The principal office for the transaction of the activities and affairs of this Corporation shall be located in Orange County, California. The Board of Directors may change the location of the principal office within Orange County. Any such change of location must be noted by the Secretary on these Bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

ARTICLE 3

PURPOSE

3.1 **General Purpose.** This Corporation is a non-profit mutual benefit corporation organized under the California Nonprofit Mutual Benefit law. The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

3.2 **Specific Purpose.** The specific and primary purpose of this Corporation is to promote excellence in providing legal services with a social conscience; to foster and facilitate the exchange of ideas and information among and between association members and other members of the legal profession, the judiciary and the community; to encourage and promote the professional growth of members of the association; to provide an opportunity for fellowship among the association's members; to provide coordinated services to the general and local community; to foster goodwill within the community; to develop and encourage inter-cooperation with other attorney organizations; to provide a vehicle and forum for the unified expression of opinions and positions by the association upon current social, political, economic, legal or other matter or events of concern to the members of the association.

ARTICLE 4

MEMBERSHIP AND DUES

4.1 **Membership.** This Corporation shall have five classes of Members, designated as Attorney Members, Judicial Members, Law Student Members, Affiliate Members and Honorary Members. Any person dedicated to the purposes of the Corporation and meeting the qualifications set forth herein shall be eligible for membership on approval of the membership application by the Board and on timely payment of such dues and fees as the Board may fix from time to time.

4.1.1 **Attorney Members.** All attorneys in good standing as members of the California State Bar or otherwise duly licensed to practice law in any jurisdiction of the United States of America or its territories are eligible for membership as Attorney Members.

4.1.2 **Judicial Members.** All judicial officers in good standing of any local, state or federal tribunal are eligible for membership as Judicial Members. Judicial Members shall not be eligible to hold elected office in the Corporation.

4.1.3 **Law Student Members.** All students actively enrolled in any organized law school in any jurisdiction of the United States are eligible for membership as Law Student Members. Law Student Members shall not pay membership dues, fees or assessments nor be eligible to vote or hold elected office in the Corporation.

4.1.4 **Affiliate Members.** All paralegals, court reporters, legal secretaries and other persons employed in the legal profession and persons who are providers of goods and services to the legal profession are eligible for membership as Affiliate Members. Affiliate Members shall not be eligible to vote or hold elected office in the Corporation.

4.1.5 **Honorary Members.** Persons distinguished for public service or eminence in the law may be elected by the Board to honorary membership as Honorary Members. Honorary Members shall not pay membership dues, fees or assessments nor be eligible to vote or hold elected office in the Corporation.

4.2 **Membership Rights.** Attorney Members and Judicial Members shall have the right to vote, as set forth in these Bylaws, on the election of directors, on the disposition of all or substantially all of the assets of the Corporation, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation. In addition, those Members shall have all rights afforded members under the California Nonprofit Mutual Benefit Corporation Law. If the Corporation is dissolved, those Members shall receive a prorata distribution of all assets, exclusive of those held in charitable trust, remaining after payment or provision for payment of the obligations and debts of the Corporation and provision for any other payment required under applicable law.

4.3 **Nonvoting Members.** This Corporation may refer to Law School Members, Affiliate Members and Honorary Members or other persons or entities associated with it as "Members," even though those persons or entities are not voting Members as set forth in Section 4.1 of these Bylaws, but no such reference shall constitute anyone as a member within the meaning of Corporations Code §5056 unless that person or entity shall have qualified for a voting membership under Sections 4.1 and 4.2 of these Bylaws. References in these Bylaws to "Members" shall mean members as defined in Corporations Code §5056; i.e., the members of the

classes set forth in Sections 4.1.1 and 4.1.2 of these Bylaws. By amendment of its Articles of Incorporation or of these Bylaws, the Corporation may grant some or all of the rights of a member of any class to any person or entity that does not have the right to vote on the matters specified in Section 4.2 of these Bylaws, but no such person or entity shall be a member within the meaning of Corporations Code §5056.

4.4 Dues, Fees and Assessments. Except as otherwise set forth in this Article 4, each Member must pay, within the time and on the conditions set by the Board, the dues, fees and assessments in amounts to be fixed from time to time by the Board. 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.

Subject to the foregoing provisions for fixing the time and conditions in which dues, fees and assessments are payable, the annual membership dues shall be due on January 1st of each year and delinquent if unpaid within 60 days thereafter.

4.5 Good Standing. Members who have paid the required dues, fees and assessments in accordance with these Bylaws and who are not suspended shall be Members in good standing.

4.6 Termination of Membership. A membership shall terminate on the occurrence of any of the following events:

- (1) Resignation of the Member;
- (2) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;
- (3) The Member's failure to pay dues, fees or assessments as set by the Board within 60 days after they are due and payable;
- (4) Any event that renders the Member ineligible for membership, or failure to satisfy membership qualifications; or
- (5) Termination of membership under Section 4.8 of these Bylaws based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the Member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests.

4.7 Suspension of Membership. A Member may be suspended, under Section 4.8 of these Bylaws, based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the Member has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests.

A person whose membership is suspended shall not be a Member during the period of suspension.

4.8 **Procedure of Termination or Suspension of Membership.** If grounds appear to exist for suspending or terminating a Member under Sections 4.6 and 4.7 of these Bylaws, the following procedure shall be followed:

- (1) The Board shall give the Member at least 15 days' prior notice of the proposed suspension or termination and the reasons for the proposed suspension or termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent first-class or registered mail to the Member's last address as shown on the Corporation's records.
- (2) The Member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the suspension or termination should occur.
- (3) The Board, committee or person shall decide whether the Member should be suspended, expelled or sanctioned in any way. The decision of the Board, committee or person shall be final.
- (4) Any action challenging an expulsion, suspension or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension or termination.

4.9 **Memberships Not Transferable.** No membership or right arising from membership shall be transferred. All membership rights cease on the Member's death or dissolution.

ARTICLE 5

MEMBER MEETINGS

5.1 **Place of Meeting.** Meetings of the Members shall be held at any place within or outside California designated by the Board or by the written consent of all Members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, Members' meetings shall be held at the Corporation's principal business office. The Board may authorize Members who are not present in person to participate by electronic transmission or electronic video communication.

5.2 **Annual Meeting of Members.** An annual meeting of Members ("Annual Member Meeting") shall be held in December of each year at such time and place, and on such

notice, if any, as the Board may determine. At the meeting, the results of the election of directors and officers shall be announced and other proper business may be transacted, subject to Section 5.4 of these Bylaws.

5.3 **Special Meetings.**

5.3.1 **Authority to Call Special Meetings.** The Board or the Chair of the Board, if any, or the President, or five percent (5%) or more of the Members, may call a special meeting of the Members for any lawful purpose at any time.

5.3.2 **Calling Special Meetings.** A special meeting called by any person entitled to call a meeting of the Members shall be called by written request, specifying the general nature of the business proposed to be transacted, and addressed to the attention of and submitted to the Chair of the Board, if any, or the President or any Vice President or the Secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, under Sections 5.6 and 5.10 of these Bylaws, stating that a meeting will be held at a specific time and date fixed by the Board. However, the meeting date shall be at least 35 but no more than 90 days after receipt of the request. If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing or affecting the time at which a meeting of Members may be held when the meeting is called by the Board.

5.3.3 **Proper Business of Special Meeting.** No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

5.4 **Notice.**

5.4.1 **General Notice Requirements.** Whenever Members are required or permitted to take action at a meeting, a written notice of the meeting shall be given, under this Section 5.4 of these Bylaws, to each Member entitled to vote at that meeting. The notice shall specify the place, date and hour of the meeting, and the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which Members may participate in the meeting. For the Annual Member Meeting, the notice shall state the matters that the Board, at the time notice is given, intends to present for action by the Members. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. Subject to the provisions of Article 6 of these Bylaws, the notice of any meeting at which directors or officers are to be elected shall include the names of all persons who are nominees when the notice is given.

5.4.2 **Notice of Certain Agenda Items.** Approval by the Members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

- (1) Removing a director without cause;
- (2) Filling vacancies on the Board;
- (3) Amending the Articles of Incorporation;
- (4) Electing to wind up and dissolve the Corporation;

- (5) Approving a contract or transaction between the Corporation and one or more directors, or between the Corporation and any entity in which a director has a material financial interest; or
- (6) Approving a plan of distribution of assets, other than money, not in accordance with liquidation rights of any class or classes as specified in the Articles or Bylaws, when the Corporation is in the process of winding up.

5.4.3 **Manner of Giving Notice.** Notice of any meeting of Members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date. The notice shall be given either personally, by electronic transmission by the Corporation (subject to Corporations Code Section 7511) or by first-class, registered or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each Member entitled to vote, at the address of that Member as it appears 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 by first-class mail or facsimile or other written communication to the Corporation's principal office or (2) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

5.4.4 **Affidavit of Meeting.** An affidavit of the mailing of any notice of any Members' meeting, or of the giving of such notice by other means, may be executed by the Secretary, Assistant Secretary or any transfer agent of the Corporation, and if so executed, shall be filed and maintained in the Corporation's minute book.

5.5 **Quorum.** Fifteen percent (15%) of the Corporation's voting power shall constitute a quorum for the transaction of business at any meeting of Members.

Except as otherwise required by law, the Articles or these Bylaws, the Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough Members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

5.6 **Voting.**

5.6.1 **Eligibility to Vote.** Subject to California Nonprofit Mutual Benefit Corporation Law and Article 4 of these Bylaws, Members in good standing on the record date as determined under Section 5.10 of these Bylaws shall be entitled to vote at any meeting of Members.

5.6.2 **Manner of Voting.** Voting may be by voice or by ballot, except that any election of directors or officers must be held pursuant to Article 6 of these Bylaws.

5.6.3 **Number of Votes.** Each Member entitled to vote may cast one vote on each matter submitted to a vote of the Members

5.6.4 **Majority Approval.** If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the Members unless the vote of a greater number, or voting by classes, is required by the California Nonprofit Mutual Benefit Corporation Law or by the Articles of Incorporation.

5.7 **Waiver of Notice or Consent.** The transactions of any meeting of Members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after standard call and notice, if (1) a quorum is present either in person or by proxy, and (2) either before or after the meeting, each Member entitled to vote, not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting or an approval of the minutes of the meeting. The waiver of notice, consent or approval need not specify either the business to be transacted or the purpose of the meeting except that, if action is taken or proposed to be taken for approval of any matter specified in Section 5.4.2 of these Bylaws, the waiver of notice, consent or approval shall state the general nature of the proposal. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

5.8 **Action by Unanimous Written Consent.** Any action required or permitted to be taken by the Members may be taken without a meeting, if all Members consent in writing to the action. The written consent or consents shall be filed with the minutes of the meeting. The action by written consent shall have the same force and effect as a unanimous vote of the Members.

5.9 **Action by Written Ballot.** Any action that Members may take at any meeting of Members may also be taken without a meeting by complying with this Section 5.9 of these Bylaws.

5.9.1 **Solicitation of Ballots.** This Corporation shall distribute one written ballot to each Member entitled to vote on the matter. The ballot and any related material may be sent by electronic transmission by the Corporation, and responses may be returned to the Corporation by electronic transmission that meets the requirements of Section 5.4.3 of these Bylaws. All solicitations of votes by written ballot shall (1) state the number of responses needed to meet the quorum requirement; (2) state, with respect to ballots other than for election of directors or officers, the percentage of approvals necessary to pass the measure or measures; and (3) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (1) set forth the appropriate action; (2) give the Members an opportunity to specify approval or disapproval of each proposal; and (3) provide a reasonable time in which to return the ballot to the Corporation.

If the Corporation has 100 or more Members, any written ballot distributed to ten or more Members shall provide that, subject to reasonable specified conditions, if the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification.

In any election of directors or officers, a written ballot that a Members marks "withhold," or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a director or officer.

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

5.9.3 **Written Ballots as Irrevocable.** A written ballot may not be revoked.

5.9.4 **Filing Ballots.** All written ballots shall be filed with the Secretary of the Corporation and maintained in the corporate records for at least three (3) years.

5.10 **Record Date.**

5.10.1 **Record Date for Notice, Voting, Written Ballots and Other Board Actions.** For purposes of establishing the Members entitled to receive notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot or entitled to exercise any rights in any lawful action, the Board of Directors may, in advance, fix a record date. The record date so fixed for:

- (1) Sending notice of a meeting shall be no more than 90 nor less than 10 days before the date of the meeting;
- (2) Voting at a meeting shall be no more than 60 days before the date of the meeting;
- (3) Voting by written ballot shall be no more than 60 days before the day on which the first written ballot is mailed or solicited; and
- (4) Taking any other action shall be no more than 60 days before that action.

5.10.2 **Record Date for Actions Not Set by Board.** If not otherwise fixed by the Board, the record date for determining Members entitled to receive notice of a meeting of Members shall be the next business day preceding the day on which notice is given or, if notice is waived, the next business day preceding the day on which the meeting is held. If not otherwise fixed by the Board, the record date for determining Members entitled to vote at the meeting shall be the day on which the meeting is held.

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.

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 60th day before the date of that action, whichever is later.

For purposes of this Section 5.10 of these Bylaws, a person holding a membership at the close of business on the record date shall be a Member of record.

5.11 Proxies. Each Member entitled to vote shall have the right to do so either in person or by one or more agents authorized by written proxy, signed by the Member and filed with the Secretary of the Corporation. A proxy shall be deemed signed if the Member's name is placed on the proxy by the Member or the Member's attorney-in-fact, whether by manual signature, typewriting, facsimile transmission or otherwise.

5.11.1 Solicited Proxies. If the Corporation has 100 or more Members, any form of proxy distributed to ten or more Members shall give the Member an opportunity to specify a choice between approval and disapproval of each matter or group of related matters and, subject to reasonable specified conditions, shall provide that, when the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification. In an election of directors or officers, any form of proxy that a Member marks "withhold," or otherwise marks in a manner indicating that authority to vote for the election of directors or officers is withheld, shall not be voted either for or against the election of a director or officer.

5.11.2 Subject Matter of Proxy to Be Stated. Any revocable proxy covering matters for which a vote of the Members is required shall not be valid unless the proxy sets forth the general nature of the matter to be voted on. Such matters include amendments to the Articles of Incorporation; amendments to the Articles or Bylaws changing proxy rights; removal of directors without cause; filling vacancies on the Board of Directors; the sale, lease, exchange, conveyance, transfer or other disposition of all or substantially all corporate assets unless the transaction is in the usual and regular course of the Corporation's activities; the principal terms of a merger or the amendment of a merger agreement; the election to dissolve the Corporation; contracts or transactions between the Corporation and an entity in which a director has a material financial interest; or a plan of distribution of assets other than money to Members when the Corporation is in the process of winding up, when the distribution is not in accordance with liquidation rights of any class or classes.

5.11.3 Expiration and Revocability of Proxies. No proxy shall be valid after the expiration of 11 months from the date of the proxy, unless provided otherwise in the proxy, except that the maximum term of a proxy shall be 3 years after the date of execution. The revocability of a proxy that states on its face that it is irrevocable shall be governed by Corporations Code Section 7613. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect until the earlier of:

- (1) It is revoked by the Member executing it before the vote is cast under that proxy, (a) by a writing delivered to the Corporation stating that the proxy is revoked, (b) by a subsequent proxy executed by that Member and presented to the meeting, or (c) 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.

5.12 **Adjournment; Notice.** 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 by proxy. No meeting may be adjourned for more than 45 days. When a Members' meeting is adjourned to another time and place, 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 the notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact business that might have been transacted at the original meeting.

ARTICLE 6

NOMINATION AND ELECTION OF DIRECTORS AND OFFICERS

6.1 **Nominations by Committee.** By majority vote, the directors then in office shall appoint a committee to nominate qualified candidates for election to the Board of Directors and officer positions at least three (3) months prior to the Annual Member Meeting. The Nominating Committee shall consist of two or more directors, one of which shall be the then current President-Elect who shall serve as the chairperson of the Nominating Committee, and no one who is not a director.

6.2 **Duties of the Nominating Committee; Nomination of Directors and Officers.** Using such guidelines as set forth by the Board, the Nominating Committee shall be responsible for seeking members willing to serve as officers and directors.

Members eligible for office may nominate themselves and any Member may nominate other Members eligible for office for the position of director or any officer position, except for the position of President, by notifying the Nominating Committee in writing no later than two (2) months prior to the Annual Member Meeting.

The Nominating Committee shall interview each person so nominated to verify their eligibility for candidacy, secure their permission to place their name on the ballot and to inform them of the duties and term of office of the position for which they are being nominated.

No later than two (2) months prior to the Annual Member Meeting, the Nominating Committee shall deliver to the Board for approval a slate of nominees for the following positions: President-Elect, Vice President, Secretary, Chief Financial Officer and new directors. The then current President-Elect shall automatically become the President of the Corporation effective upon the expiration of the then current President's term.

6.3 **Notification to Membership of Candidates.** The Secretary shall forward to each Member with the notice of the meeting required by these Bylaws, or otherwise publish to the membership, a list of all board approved candidates.

6.4 **Election.** Voting shall be made by ballot, in conformity with Section 5.9 of these Bylaws. Ballots shall be distributed or otherwise made available to the Members eligible to vote at least ten (10) days prior to the Annual Member Meeting. All ballots shall be returned or otherwise submitted to the Nominating Committee no later than 5:00 p.m. PST on the day prior to the Annual Member Meeting, or at such earlier date and time as the Nominating Committee may set. Ballots will be counted by a tellers committee appointed by the President which shall consist of the chairperson of the Nominating Committee and no more than two (2) other Nominating Committee members. Candidates receiving the highest number of votes shall be elected as directors and officers of the Corporation for the ensuing year. There shall be no cumulative voting. Final results of the election will be reported to the membership at the Annual Member Meeting.

ARTICLE 7

DIRECTORS

7.1 Powers of Directors.

7.1.1 **General Powers of the Board.** Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation or Bylaws regarding actions that require approval of the Members, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

7.1.2 **Specific Powers of the Board.** Without prejudice to the general powers set forth in Section 7.1.1 of these Bylaws, but subject to the same limitations, the Board shall have the power to do the following:

- (1) Appoint and remove, at the pleasure of the Board, all corporate officers (not elected by the membership), agents and employees; prescribe powers and duties for them as are consistent with the law, the Articles of Incorporation and these Bylaws; fix their compensation; and require from them security for faithful service.
- (2) Change the principal office or the principal business office in California from one location to another; conduct its activities in or outside California; and designate a place in or outside California for holding any meeting of Members.
- (3) Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds,

debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

- (4) Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

7.2 **Number of Directors.** The Board of Directors shall consist of at least nine (9) but no more than twenty one (21) directors unless changed by amendment to these Bylaws. The exact number of directors shall be fixed, within those limits, by a resolution adopted by the Board of Directors.

The qualifications for a director are that the individual nominated or appointed: (i) shall be a Member of the Corporation eligible for office and in good standing; (ii) shall be a member of the California State Bar or otherwise duly licensed to practice law in any jurisdiction of the United States of America or its territories; and (iii) agrees to accept the duties or responsibilities imposed upon members of the Board of Directors generally, as established by the Board from time to time.

7.3 **Designated Directors.** The President, President-Elect, Vice President, Secretary and Chief Financial Officer shall be designated as directors of the Corporation. Each director so designated shall hold office for one (1) year during their respective term of office and until their successor has been designated and qualified. The Immediate Past-President shall have the option to serve as a director for a one (1) year term. The remaining directors shall be elected and hold office pursuant to the provisions of Article 6 of these Bylaws.

7.4 **Nominations by Committee.** The Nominations of the members of the Board of Directors shall be conducted by the Nominating Committee pursuant to the provisions of Article 6 of these Bylaws.

7.5 **Term of Office.** With the exception of the President, President-Elect, Vice President, Secretary, Chief Financial Officer and, if applicable, the Immediate Past-President, all directors shall be elected pursuant to the provisions of Article 6 of these Bylaws and shall serve for a term of two (2) years. Each director, including a director elected to fill a vacancy, shall hold office until expiration of the term for which elected and until a successor is elected and qualified. Each director's term shall commence on January 1 following the director's election.

7.6 **Vacancies on Board.** A vacancy or vacancies on the Board of Directors shall occur in the event of (1) the death, removal or resignation of any director; (2) the declaration by Board resolution of a vacancy in the office of a director who has been declared of unsound mind by a court order, convicted of a felony or, if the Corporation holds assets in charitable trust, found by a final order or judgment of any court to have breached a duty arising under Corporations Code §7238; (3) the vote of the Members or, if the Corporation has fewer than 50 Members, the vote of a majority of all Members, to remove any director(s); (4) an increase in the authorized number of directors; or (5) a failure of the Members, at any meeting of the Members at which any director or directors are to be elected, to elect the number of directors required to be elected at that meeting.

7.7 **Resignation of Directors.** Except as provided below, any director may resign by giving written notice to the Chair of the Board, if any, or to the President or the Secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective.

7.8 **Removal of Directors.** If the Corporation has no Members, any director may be removed, with or without cause, by the vote of the majority of the members of the entire Board of Directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given as provided in Sections 7.15 and 7.16. However, a director who is designated as a director under Section 7.3 may be removed without cause if that director is removed as an officer of the Corporation.

Any director who does not attend three (3) successive Board meetings will automatically be removed from the Board without Board resolution unless:

- (a) The director requests a leave of absence for a limited period of time, and the leave is approved by the directors at a regular or special meeting. If such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is or is not present;
- (b) The director suffers from an illness or disability which prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this subsection; or
- (c) The Board by resolution of the majority of Board members agrees to reinstate the director who has missed three meetings.

7.9 **Vacancies Filled by Board.** Except for a vacancy created by the removal of a director by the Members, vacancies on the Board may be filled by approval of the Board or, if the number of directors then in office is less than a quorum, by (1) the unanimous written consent of the directors then in office, (2) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code §7211, or (3) a sole remaining director.

7.10 **Vacancies Filled by Members.** The Members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors.

7.11 **No Vacancy on Reduction of Number of Directors.** A reduction of the authorized number of directors shall not result in the removal of any director before his or her term of office expires.

7.12 **Place of Board Meetings.** Meetings of the Board shall be held at any place within or outside California that has been designated by resolution of the Board or in the notice of the meeting, or, if not so designated, at the principal office of the Corporation.

7.13 **Meetings by Telecommunications.** Any Board meeting may be held by conference telephone, video screen communication or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if both the following apply:

- (1) Each member participating in the meeting can communicate concurrently with all other members.
- (2) Each member 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.

7.14 **Annual Meetings of Board.** Immediately after each annual meeting of the Members, the Board may hold a general meeting for purposes of organization, election of officers and transaction of other business. Notice of this meeting is not required.

If a general meeting of the Board is not held immediately after an annual meeting of the Members, the President shall give notice of the general meeting of the Board at least 3 days before the time set for the meeting.

Notice of the time and place of the general meeting shall be given to each director by (1) personal delivery of written notice; (2) first-class mail, postage prepaid; (3) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, or by electronic transmission, either directly to the director or to a person at the director's office who would be reasonably expected to communicate that notice promptly to the director; (4) facsimile; (5) electronic mail; or (6) other electronic means. All such notices shall be given or sent to the director's address or telephone number as shown on the Corporation's records.

The notice shall state the time of the meeting and the place, if the place is other than the Corporation's principal office. The notice shall contain an agenda and all proposals and other matters to be acted on or decided by the Board.

7.15 **Other Regular Meetings of Board.** Regular meetings of the Board shall be held monthly without notice at such time and place as the Board may fix from time to time.

7.16 **Special Meetings.** Special meetings of the Board for any purpose may be called at any time by the Chair of the Board, if any, the President or any vice president, the Secretary or any two directors.

Notice of the time and place of special meetings shall be given to each director by (1) personal delivery of written notice; (2) first-class mail, postage prepaid; (3) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, or by electronic transmission, either directly to the director or to a person at the director's office who would be reasonably expected to communicate that notice promptly to the director; (4) facsimile; (5) electronic mail; or (6) other electronic means. All such notices shall

be given or sent to the director's address or telephone number as shown on the Corporation's records.

Notices sent by first-class shall be deposited in the United States mails at least 4 days before the time set for the meeting. Notices given by personal delivery, telephone or electronic transmission shall be delivered, telephoned or sent, respectively, at least 48 hours before the time set for the meeting.

The notice shall state the time of the meeting and the place, if the place is other than the Corporation's principal office. The notice shall specify the purpose of the meeting.

7.17 **Waiver of Notice.** Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Notice of a meeting need not be given to any director who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice to him or her.

7.18 **Quorum.** A majority of the authorized number of directors shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, including, without limitation, the provisions on (1) approval of contracts or transactions between this Corporation and one or more directors or between this Corporation and any entity in which a director has a material financial interest, (2) creation of and appointments to committees of the Board, and (3) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of one or more directors from the meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

7.19 **Adjournment.** A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

7.20 **Board Action Without Meeting.** Any action that the Board is required or permitted to take may be taken without a meeting if all Board members consent in writing to the action; provided, however, that the consent of any director who has a material financial interest in a transaction to which the Corporation is a party and who is an "interested director" as defined in Corporations Code §5233 shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes of the proceedings of the Board.

7.21 **Director Compensation.** Directors and members of committees of the Board may not receive compensation for their services as directors or officers. Directors and members of committees of the Board may receive such reimbursement for actual expenses expended on behalf of the Corporation when authorized as follows: (a) reimbursement for expenses incurred

in an amount under \$500.00 shall require approval by the Chief Executive Officer; and (b) reimbursement for expenses incurred in an amount of \$500.00 or more shall require approval by the Board.

ARTICLE 8

OFFICERS

8.1 **Officers.** The Officers of this Corporation shall be a President, a President-Elect, a Vice President, a Secretary and a Chief Financial Officer. The Corporation, at the Board's discretion, may also have a Chair of the Board, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers and such other officers as may be appointed under Section 8.3 of this Article.

8.2 **Election.** The officers of this Corporation, except as appointed under Section 8.3 of this Article, shall be chosen annually pursuant to the provisions of Article 6 of these Bylaws, and each shall hold his or her office until he or she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified.

8.3 **Appointment of Other Officers.** The Board of Directors may appoint, and may empower the President to appoint, such other officers that the Corporation may require. Each appointed officer shall have the title and authority, hold office for the period and perform the duties specified in the Bylaws or established by the Board.

8.4 **Removal and Resignation.** Without prejudice to the rights of any officer under an employment contract, the Board of Directors may remove any officer with or without cause by a two-thirds (2/3) vote.

Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the officer is a party.

8.5 **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for appointment by the Board of Directors. However, vacancies need not be filled on an annual basis.

8.6 **Officer Compensation and Reimbursement.** Officers may not receive compensation for their services. Officers may receive such reimbursement for actual expenses expended on behalf of the Corporation when authorized as follows: (a) reimbursement for expenses incurred in an amount under \$500.00 shall require approval by the Chief Executive Officer; and (b) reimbursement for expenses incurred in an amount of \$500.00 or more shall require approval by the Board of Directors.

8.7 **Chair of the Board.** If a Chair of the Board of Directors is elected, he or she shall preside at Board meetings and shall exercise and perform such other powers and duties as

the Board may assign from time to time. If there is no President, the Chair of the Board shall also be the Chief Executive Officer and shall have the powers and duties of the President of the Corporation as set forth in these Bylaws.

8.8 **President.** Subject to such supervisory powers as the Board may give to the Chair of the Board, if any, and subject to the control of the Board, the President shall be the general manager of the Corporation and shall supervise, direct and control the Corporation's activities, affairs and officers. The President shall preside at all Members' meetings and, in absence of the Chair of the Board, or if none, at all Board meetings. The President shall serve as the chairman of the Executive Committee. The President shall appoint all advisory committee chairpersons, subject to approval by the majority of the Board, and shall serve as an ex-officio member of all advisory committees. The President shall have such other powers and perform any others duties as are prescribed by the Board of Directors or these Bylaws.

8.9 **President-Elect.** In the absence or disability of the President, the President-Elect shall perform all the duties of the President. When so acting, the President-Elect shall have all powers of and be subject to all restrictions on the President. The President-Elect shall serve as the chairman of the Nominating Committee. The President-Elect shall have such other powers and perform such other duties as from time to time may be prescribed by the Board of Directors or the Bylaws or the President.

8.10 **Vice President.** In the absence or disability of the President and the President-Elect, the Vice President shall perform all the duties of the President. When so acting, the Vice President shall have all powers of and be subject to all restrictions on the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed by the Board of Directors or the Bylaws or the President.

8.11 **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, proceedings and actions of the Board, of committees of the Board and of Members' meetings. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general or special, and, if special, how authorized; the notice given; the names of persons present at Board and 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 California office, 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 resolution of the Board, a record of the Corporation's Members, showing each Member's name, address and class of membership.

The Secretary shall give, or cause to be given, notice of all meetings of the Members, of the Board and of committees of the Board that these Bylaws require to be given. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform any others duties as are prescribed by the Board of Directors or these Bylaws.

The assistant secretary, if any, or if there be more than one, may perform any or all of the duties and exercise any or all of the powers of the Secretary unless prohibited from doing so by the Board of Directors, the President or the Secretary, and shall have such other powers and perform such other duties as are prescribed by the Board of Directors, the President or the Secretary.

8.12 **Chief Financial Officer.** The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. 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, by these Bylaws or by the Board of Directors. The books of account shall be open to inspection by any director at all reasonable times.

The Chief Financial Officer shall (1) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate; (2) disburse the Corporation's funds as the Board may order; (3) render to the President, Chair of the Board, if any, and the Board, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the Corporation; (4) receive membership dues and maintain records of all dues paid by Members; (5) execute such documents requiring the signature of the treasurer and is designated as the treasurer of the Corporation for such purposes; (6) serve as the chairman of the Finance Committee; and (7) have such other powers and perform any others duties as are prescribed by the Board of Directors or these Bylaws.

The assistant treasurer, if any, or if there be more than one, may perform any or all of the duties and exercise any or all of the powers of the Chief Financial Officer unless prohibited from doing so by the Board of Directors, the President or the Chief Financial Officer, and shall have such other powers and perform such other duties as are prescribed by the Board of Directors, the President or the Chief Financial Officer.

ARTICLE 9

COMMITTEES

9.1 **Board Committees.** The Board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more directors and no one who is not a director, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the directors then in office. The Board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the board resolution, except that no committee may do the following.

- (1) Take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, also requires approval of the Members or approval of a majority of all Members;
- (2) Fill vacancies on the Board or any committee of the Board;

- (3) Fix compensation of the directors for serving on the Board or any committee;
- (4) Amend or repeal the Bylaws or adopt new bylaws;
- (5) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- (6) Create any other committees of the Board or appoint the members of the Board; or
- (7) With respect to any assets held in charitable trust, approve any contract or transaction between this Corporation and one or more of its directors or between this Corporation and an entity in which one or more of its directors have a material financial interest, subject to the approval provisions of Corporations Code §5233(d)(e).

9.2 **Standing Committees.** The standing committees of the Corporation shall be the Executive Committee, the Finance Committee and the Nominating Committee. The President shall be an ex-officio member of all standing committees.

9.2.1 **Executive Committee.** Pursuant to Section 9.2 of these Bylaws, the President (who shall serve as the chairman of the Executive Committee), President-Elect, Vice-President, Secretary and Chief Financial Officer, who shall also be members of the Board, shall serve as the Executive Committee of the Board. The Executive Committee, unless limited by resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the Corporation between meetings of the Board; provided, however, that the Executive Committee shall not have the authority of the Board in reference to those matters enumerated in Section 9.1. All actions of the Executive Committee shall be reported to and ratified by the full Board at the next duly scheduled Board meeting.

9.2.2 **Finance Committee.** Pursuant to Section 9.2 of these Bylaws, there shall be a Finance Committee which shall consist of the Chief Financial Officer, who shall serve as the chairman of the Finance Committee, together with one or more directors who shall be appointed by a majority vote of the directors then in office. The Finance Committee shall be responsible for preparing this Corporation's annual operating budget, which shall be subject to the Board's final approval, and interim financial information. The Finance Committee shall also have such further duties and responsibilities as may from time to time be assigned to it by the Board of Directors.

9.2.3 **Nominating Committee.** Pursuant to Section 9.2 of these Bylaws, there shall be a Nominating Committee which shall consist of the President-Elect (who shall serve as chairman of the Nominating Committee) and one or more directors appointed by a majority vote of the directors then in office, and no one who is not a director. Duties and responsibilities of the Nominating Committee are more particularly set forth in Article 6 of these Bylaws.

9.3 **Advisory Committees.** The Board, by resolution adopted by a majority of the directors then in office, may create one or more advisory committees, each consisting of such persons that a majority of the Board of Directors may select, to serve at the pleasure of the Board. The President shall be an ex-officio member of all advisory committees and shall nominate all committee chairpersons subject to approval by majority vote of the Board of Directors. Advisory committees shall not be deemed committees of the Board of Directors and shall not exercise any powers of the Board of Directors. The functions and procedures of any advisory committee shall be established from time to time by the Board of Directors, provided that such functions and procedures, including any duties and powers duly delegated by the Board, shall at all times be exercised under the ultimate direction of the Board. Appointments to advisory committees shall be by majority vote of the directors then in office.

9.4 **Meetings and Actions of Committees.** Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Sections 6 through 13 of Article 7 of these Bylaws, concerning meetings and actions of directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may be called by resolution of the Board. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board may adopt rules not inconsistent with the provisions of these Bylaws for the governance of any committee.

ARTICLE 10

CONTRACTS, LOANS, CHECKS, DEPOSITS AND DONATIONS

10.1 **Execution of Contracts and Instruments.** The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances; and, unless so authorized or ratified 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 to any amount.

10.2 **Contracts with Directors.** No director of this Corporation nor any other corporation, firm, association or other entity in which one or more of this Corporation's directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Corporation unless (1) the material facts as to the transaction and such director's interest are fully disclosed or known to the Members and such contract or transaction is approved by the Members in good faith, with any membership owned by any interested director not being entitled to vote thereon, or (2) the material facts regarding such director's financial interest in such contract or transaction or regarding such common directorship, officership or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all Board members before consideration by the Board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the vote of the interested director.

10.3 **Loans to Directors and Officers.** This Corporation shall not lend any money or property to, or guarantee the obligation of, any director or officer of the Corporation.

Notwithstanding the above, the Corporation may advance money to a director or officer of the Corporation for any expenses reasonably anticipated to be incurred in the performance of the duties of the director or officer, provided that in absence of such an advance the director or officer would be entitled to be reimbursed for these expenses by the Corporation.

10.4 **Checks, Drafts and Evidence of Indebtedness.** 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 such person or persons and in such manner as, from time to time, shall be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Chief Financial Officer, or any assistant treasurer, and countersigned by the President, President-Elect or Vice President of this Corporation.

10.5 **Deposits.** All funds of this Corporation shall be deposited from time to time to the credit of this Corporation in such banks, trust companies or other depositories as the Board may designate.

10.6 **Donations.** The directors and officers are authorized to accept, on behalf of the Corporation, donations, contributions, gifts, bequests and devises, governmental and other subsidies and scholarship grants which support the purposes of this Corporation as set forth in the Articles of Incorporation, whether the same is for a specific purpose or is for the general support of the Corporation.

ARTICLE 11

BYLAWS AMENDMENTS

11.1 **Members Amendment of Bylaws.** New bylaws may be adopted or these Bylaws may be amended or repealed by two-thirds (2/3) approval of the Members, provided, however, that any such adoption, amendment or repeal also requires approval by the Members of a class if that action would:

- (1) Materially and adversely affect the rights, privileges, preferences, restrictions or conditions of that class as to voting, dissolution, redemption or transfer in a manner different than the action affects another class;
- (2) Materially and adversely affect that class as to voting, dissolution, redemption or transfer by changing the rights, privileges, preferences, restrictions or conditions of another class;
- (3) Increase or decrease the number of memberships authorized for that class;
- (4) Increase the number of memberships authorized for another class;

- (5) Effect an exchange, reclassification or cancellation of all or part of the memberships of that class; or
- (6) Authorize a new class of memberships.

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

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

11.2 **Board Amendment of Bylaws.**

11.2.1 **Power of Directors.** Subject to the Members' rights under Section 11.1 of these Bylaws, the Board may adopt, amend or repeal bylaws unless doing so would:

- (1) Materially and adversely affect the Members' rights as to voting, dissolution, redemption or transfer;
- (2) Increase or decrease the number of Members authorized in total or for any class;
- (3) Effect an exchange, reclassification or cancellation of all or part of the memberships;
- (4) Authorize a new class of membership; or
- (5) Amend or repeal this Article 11.

11.2.2 **Changes to Number of Directors.** Once Members have been admitted to the Corporation, the Board may not, without the Members' approval, specify or change a bylaw that would:

- (1) Fix or change the authorized number of directors;
- (2) Fix or change the minimum or maximum number of directors; or
- (3) Change from a fixed number of directors to a variable number of directors or vice versa;
- (4) Decrease the minimum number of directors to less than five (5) or increase the maximum number of directors to more than thirty (30).

11.2.3 **Amending Supermajority Requirements.** If any provision of these Bylaws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed except by that greater vote.

11.2.4 **When Members Approval Required.** Without the approval of the Members, the Board may not adopt, amend or repeal any bylaw that would:

- (1) Increase or extend the terms of directors;
- (2) Allow any director to hold office by designation or selection rather than by election by the Members;
- (3) Increase the quorum for Members' meetings;
- (4) Repeal, restrict, create, expand or otherwise change proxy rights;
or
- (5) Authorize cumulative voting.

ARTICLE 12

INDEMNIFICATION AND INSURANCE

12.1 **Indemnification.** To the fullest extent permitted by law, this Corporation shall indemnify its directors and officers, and may indemnify employees and other persons described in Corporations Code §7237(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

12.1.1 **Approval of Indemnification.** On written request to the Board by any person seeking indemnification under Corporations Code §7237(b) or §7237(c), the Board shall promptly decide whether the applicable standard of conduct set forth in Corporations Code §7237(b) or §7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification, because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of Members. At that meeting, the Members shall determine under Corporations Code §7237(e) whether the applicable standard of conduct has been met and, if so, the Members present at the meeting in person or by proxy shall authorize indemnification.

12.1.2 **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 Sections 12.1 and 12.1.1 of these Bylaws in defending any proceeding covered by those Sections 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 found that the person is entitled to be indemnified by the Corporation for those expenses.

12.2 **Insurance.** This Corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees and other agents, to cover any liability asserted against or incurred by any officer, director, employee or agent in such capacity or arising from the officer's, director's, employee's or agent's status as such.

ARTICLE 13

REPORTS AND RECORDS, INSPECTION AND RULES OF ORDER

13.1 Reports and Records.

13.1.1 **Annual Report.** The Board shall cause an annual report to be prepared within 120 days after the end of the Corporation's fiscal year. That report shall contain the following information in detail:

- (1) A balance sheet as of the end of the fiscal year, an income statement and statement of cashflows for the fiscal year, accompanied by an independent accountant's report or, if none, by the certificate of an authorized officer of the Corporation that they were prepared without audit from the Corporation's books and records;
- (2) A statement of the place where the names and addresses of current Members are located; and
- (3) Any information required by these Bylaws.

This Corporation shall annually notify each Member of the Member's right to receive a copy of the financial report under this Section. Except as provided in the next paragraph of this Bylaw, on written request by a Member, the Board shall promptly cause the most recent annual report to be sent to the requesting Member. If the Board approves, the Corporation may send the report and any accompanying material sent pursuant to this Section by electronic transmission.

This Section shall not apply if the Corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year.

13.1.2 **Annual Statement.** As part of the annual report to all Members, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail, deliver or send by electronic transmission to its Members and furnish to its directors a statement of any transaction or indemnification of the following kinds within 120 days after the end of the Corporation's fiscal year:

- (1) Unless approved by Members under Corporations Code §7233(a), any transaction (a) to which the Corporation, its parent or its subsidiary was a party, (b) which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (c) 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, its parent or its subsidiary;

- (ii) Any holder of more than 10 percent (10%) of the voting power of the Corporation, its parent or its 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, except that, in a partnership in which such person is a partner, only the partnership interest need be stated

- (2) A brief description of the amounts and circumstances of any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the Corporation under Article 12 of these Bylaws, unless the indemnification or advance has already been approved by the Members under Corporations Code §7235(a).

13.1.3 **Maintenance of Corporate Records.** This Corporation shall keep the following:

- (1) Adequate and correct books and records of account;
- (2) Minutes of the proceedings of its Members, Board and committees of the Board; and
- (3) A record of each Member's name, address and class of membership.

13.2 **Inspection.**

13.2.1 **Members' Inspection Rights.** Unless the Corporation provides a reasonable alternative as provided below, any Member may do either or both of the following for a purpose reasonably related to the Member's interest as a Member:

- (1) Inspect and copy the records containing Members' names, addresses and voting rights during usual business hours on 5 days' prior written demand on the Corporation, which must state the purpose for which the inspection rights are requested; or
- (2) Obtain from the Secretary of the Corporation, on written demand and tender of a reasonable charge, a list of names, addresses and voting rights of Members who are entitled to vote for directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the Member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the Member on or before the later of 10 days after the demand is received or the date specified in the demand as the date as of which the list is to be compiled.

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

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

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

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

13.2.3 Inspection of Articles and Bylaws. This Corporation shall keep at its principal California office the original or a copy of the Articles of Incorporation and Bylaws, as amended to the current date, that shall be open to inspection by the Members at all reasonable times during office hours. If the Corporation has no business office in California, the Secretary shall, on the written request of any Member, furnish to that Member a copy of the Articles of Incorporation and Bylaws, as amended to the current date.

13.2.4 Directors' Inspection Rights. Every director shall have the absolute right at any reasonable time to inspect the Corporation's books, records and documents of every kind, and to inspect the physical properties of the Corporation. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of books, records and documents of every kind.

13.3 Rules of Order. The rules contained in the current edition of Robert's Rules of Order shall govern the conduct of the Corporation's meetings in all cases to which they are applicable and in which they are not inconsistent with these Bylaws. Any special rules of order adopted by the Board or the Members shall supersede Robert's Rules of Order.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of Hispanic Bar Association of Orange County, a California nonprofit mutual benefit corporation ("Corporation"); and

2. That the foregoing Bylaws constitute the First Amended and Restated Bylaws of said Corporation as duly adopted by action of the Board of Directors duly taken on _____, 20__ and approved by the Members by action duly taken on _____, 20__.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Corporation this day of _____, 20__.

_____, Secretary