

Bylaws
of
PASSIVE HOUSE CALIFORNIA, INC.
A California Nonprofit Public Benefit Corporation

ARTICLE 1
OFFICES

SECTION 1. PRINCIPAL OFFICE

The principal office of the corporation for the transaction of its business is located in San Francisco County, California at a place designated from time to time by the Board of Directors.

ARTICLE 2
PURPOSES

SECTION 1. OBJECTIVES AND PURPOSES

The primary objectives and purposes of this corporation shall be:

- (a) To promote public education regarding the knowledge required to design and construct super-low, zero and positive-energy buildings in California that meet the Passive House standard.
- (b) To conduct and publicize the results of research regarding the design and construction of super-low, zero and positive-energy buildings in California that meet the Passive House standard.

ARTICLE 3
DIRECTORS

SECTION 1. NUMBER AND CLASSES

- (a) The corporation shall have at [\[LA1\]](#) least five (5) and no more than eleven (11) directors who shall be known as the Board of Directors.

SECTION 2. POWERS

Subject to the provisions of the California Nonprofit Public Benefit Corporation law and any limitations in the Articles of Incorporation and Bylaws, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

SECTION 3. DUTIES

It shall be the duty of the directors to:

- (a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws;
- (b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and the compensation, if any, of all officers, agents and employees of the corporation;
- (c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly;
- (d) Meet at such times and places as required by these bylaws [\[LA2\]](#) ;
- (e) Register their addresses, telephone numbers and email addresses with the Secretary of the corporation and notices of meetings mailed, made by telephone or emailed to them at such addresses shall be valid notices thereof.

SECTION 4. TERMS OF OFFICE

Each director shall hold office for up to 2 years, with half of the directors terming out each year. Before annual elections, the board shall nominate the number of open board positions and the term length of each position to ensure roughly equal numbers of board members term out each year. Board members will serve until [\[LA3\]](#) the next annual meeting for election of the Board of Directors as specified in these Bylaws, and until his or her successor is elected and qualifies.

SECTION 5. COMPENSATION

Directors shall serve without compensation except that they shall be allowed and paid reasonable travel expenses to attend the annual Board meeting at the discretion of the Board. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 3 of this Article. Directors may not be compensated for rendering services to the corporation in any capacity other than director unless such other compensation is reasonable and is allowable under the provisions of Section 6 of this Article.

SECTION 6. RESTRICTION REGARDING INTERESTED DIRECTORS

Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the board may be interested persons. For purposes of this Section, "interested persons" means either:

- (a) Any person currently being compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; or
- (b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

SECTION 7. PLACE OF MEETINGS

Meetings shall be held at the principal office of the corporation unless otherwise provided by the board or at such place within or without the State of California, which has been designated from time to time by resolution of the Board of Directors. In the absence of such designation, any meeting not held at the principal office of the corporation shall be valid only if held on the written consent of all directors given either before or after the meeting and filed with the Secretary of the corporation or after all board members have been given written notice of the meeting as hereinafter provided for special meetings of the board.

Any meeting, regular or special, may be held by conference telephone, electronic video screen communication, or other communications equipment. Participation in a meeting through use of conference telephone constitutes presence in person at that meeting so long as all directors participating in the meeting are able to hear one another.

SECTION 8. ANNUAL MEETING AND REGULAR MEETINGS

(a) An annual meeting shall be conducted every year, at the time nominated in these bylaws. _____ [\[LA4\]](#) .

(b) Regular meetings shall be held on a schedule set from time to time by a resolution of the Board of Directors.

SECTION 9. SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the President or by any two directors, and such meetings shall be held at the place, within or without the State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

SECTION 10. NOTICE OF MEETINGS

No notice shall be required for the holding of the Annual meeting or Regular meetings. Special meetings of the board shall be held upon five (5) days' notice by first-class mail or seventy-two (72) hours' notice delivered personally or by telephone or email. If sent by mail or email, the notice shall be deemed to be delivered on its deposit in the mails or on its sending. Such notices shall be addressed to each director at his or her address as shown on the books of the corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than twenty-four (24) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to directors absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

SECTION 11. CONTENTS OF NOTICE

Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting.

SECTION 12. WAIVER OF NOTICE AND CONSENT TO HOLDING MEETINGS

The transactions of any meeting of the board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each director not present signs a waiver of notice, a consent to holding the meeting, or an

approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 13. QUORUM FOR MEETINGS

A quorum shall consist of a majority of the total number of Directors serving on the Board as of the date of the meeting in question.

The directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this corporation.

SECTION 14. MAJORITY ACTION AS BOARD ACTION

Every act or decision made done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation or Bylaws of this corporation, or provisions of the California Nonprofit Public Benefit Corporation Law require a different percentage or different voting rules for approval of a matter by the board.

SECTION 15. CONDUCT OF MEETINGS

Meetings of the Board of Directors shall be presided over by a Chairperson chosen by a majority of the directors present at the meeting or, if no such person has been so designated, the President of the corporation. The Secretary of the corporation shall act as secretary of all meetings of the board, provided that, the Board may appoint another person to carry out the duties of the Secretary at any particular Meeting.

SECTION 16. ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of the board shall individually or collectively consent in writing to such action. For the purposes of this Section only, "all members of the board" shall not include any "interested director" as defined in the California Nonprofit Public Benefit Corporation Law. Such written consent or consents shall be filed with the minutes

of the proceedings of the board. Such action by written consent shall have the same force and effect as the unanimous vote of the directors. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the Bylaws of this corporation authorize the directors to so act, and such statement shall be prima facie evidence of such authority.

SECTION 17. REMOVAL OF DIRECTORS / VACANCIES

- (a) Any member of the Board of Directors shall be automatically removed from the Board of Directors upon their death.
- (b) Any director may resign from the board effective upon giving written notice to the Board of Directors, provided, however, that no director may resign if the corporation would then be left without any directors in charge of its affairs, except upon notice to the Attorney General.
- (c) The Board of Directors may declare vacant the office of a director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under the California Nonprofit Public Benefit Corporation Law.
- (d) Any Director who misses three (3) consecutive meetings shall be automatically removed from the board and his or her seat declared vacant unless, by a unanimous vote of the directors then in office, other than the director to be removed, the other directors find the absences to have been with good cause.
- (e) Directors may be removed without cause by [\[LA5\]](#) a majority vote of the board members at a duly held meeting.
- (f) Vacancies on the board shall be filled by a vote of the members.
- (g) A person elected to fill a vacancy as provided by this Section shall hold office until the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

SECTION 18. NON-LIABILITY OF DIRECTORS

The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

SECTION 19. INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

To the extent that a person who is, or was, a director, officer, employee or other agent of this corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of the California Nonprofit Public Benefit Corporation Law.

SECTION 20. INSURANCE FOR CORPORATE AGENTS

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee or other agent of the corporation) against any liability.

ARTICLE 4 OFFICERS

SECTION 1. NUMBER OF OFFICERS

The officers of the corporation shall be a President, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The same person may hold any number of offices except that neither the Secretary nor the Treasurer may serve as the President or Chairperson of the Board.

SECTION 2. QUALIFICATION, ELECTION, AND TERM OF OFFICE

Any person may serve as officer of this corporation. Officers shall be selected by the Board of Directors, at any time, and each officer shall hold office for a one (1) year term or until he or she resigns or is removed or is otherwise disqualified to serve, whichever occurs first.

SECTION 3. SUBORDINATE OFFICERS

The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

SECTION 4. REMOVAL AND RESIGNATION

The Board of Directors may remove any officer, either with or without cause,, at any time. Any officer may resign at any time by giving written notice to the Board of Directors. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5. VACANCIES

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors.

SECTION 6. DUTIES OF PRESIDENT

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairperson of the Board of Directors, he or she shall preside at all meetings of the Board of Directors.

SECTION 7. [Reserved]

SECTION 8. DUTIES OF SECRETARY

The Secretary shall carry out the following duties:

- (a) Certify and keep at the principal office of the corporation the original, or a copy of these Bylaws as amended or otherwise altered to date.
- (b) Keep at the principal office of the corporation or at such other place as the board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- (c) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.
- (d) Be custodian of the records.
- (e) Keep at the principal office of the corporation a book containing the name and address of each and any Member of the board of directors.
- (f) Exhibit at all reasonable times to any director of the corporation, or to his or her agent or attorney, on request therefore, the Bylaws, and the minutes of the proceedings of the directors of the corporation.
- (g) In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

SECTION 9. DUTIES OF TREASURER

Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer shall carry out the following duties:

- (a) Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.
- (b) Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.
- (c) Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.
- (d) Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

- (e) Exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefor.
- (f) Render to the President and directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation.
- (g) Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.
- (h) In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

ARTICLE 5 COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE

The Board of Directors may, by a majority vote of directors, designate two (2) or more of its members (who may also be serving as officers of this corporation) to constitute an Executive Committee and delegate to such Committee any of 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, which, under law or the provisions of these Bylaws, requires the approval of the members or of a majority of all of the members.
- (b) The filling of vacancies on the board or on 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 Bylaws or the adoption of new Bylaws.
- (e) The amendment or repeal or any resolution of the board which 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) The approval of any transaction to which this corporation is a party and in which one or more of the directors has a material financial interest, except as expressly provided the California Nonprofit Public Benefit Corporation Law.

By a majority vote of its members then in office, the board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the board. The Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

SECTION 2. OTHER COMMITTEES

The corporation shall have such other committees as may from time to time be designated by resolution of the Board of Directors. Such other committees may consist of persons who are not also members of the board. These additional committees shall act in an advisory capacity only to the board and shall be clearly titled as "advisory" committees.

SECTION 3. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

ARTICLE 6 SELF-DEALING PROHIBITED

SECTION 1. DEALINGS WITH DIRECTORS AND OFFICERS

(a) No director or officer of this Corporation, nor any other corporation, firm, association or other entity in which one or more of this Corporation's directors or officers are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Corporation, including but not limited to employment contracts or

leases, unless (i) the material facts regarding such Director's or officer's financial interest in such contract or transaction and/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 members of the Board prior to consideration by the board of such contract or transaction; (ii) 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 or votes of such interested director(s); (iii) prior to authorizing or approving the transaction, the board considers and in good faith determines after reasonable investigation under the circumstances that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (iv) this Corporation enters into the transaction for its own benefit, and the transaction is fair and reasonable to this Corporation at the time the transaction is entered into.

(b) The provisions of this section do not apply to a transaction which is part of the ordinary program of the Corporation if it: (i) is approved or authorized by the corporation in good faith without unjustified favoritism; and (ii) results in a benefit to one or more directors or officers or their families because they are in the class of persons intended to be benefited by the ordinary program of this Corporation.

ARTICLE 7 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

SECTION 1. EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, 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 monetarily for any purpose or in any amount.

SECTION 2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the President or the Chief Financial Officer.

SECTION 3. DEPOSITS

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

ARTICLE 8 CORPORATE RECORDS AND REPORTS

SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep at its principal office in the State of California:

- (a) Minutes of all meetings of directors or committees of the board, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- (b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- (c) A record of its members indicating their names and addresses and the termination date of any membership;
- (d) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the directors of the corporation at all reasonable times during office hours.

SECTION 2. [Reserved]

SECTION 3. DIRECTORS' INSPECTION RIGHTS

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

SECTION 4. MEMBERS' INSPECTION RIGHTS

Each and every member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member:

(a) To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested.

(b) To obtain from the Secretary of the corporation, upon written demand and payment of a reasonable charge, an alphabetized list of the names, addresses and voting rights of those members entitled to vote for the election of directors as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made available on or before the later of ten (10) business days after the demand is received or after the date specified therein as of which the list is to be compiled.

(c) To inspect at any reasonable time the books, records, or minutes of proceedings of the members or of the board or committees of the board, upon written demand on the corporation by the member, for a purpose reasonably related to such person's interests as a member.

SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts, provided, however, that directors shall not distribute any copies made to any non-board member without the prior written consent of the Board of Directors.

SECTION 6. ANNUAL REPORT

The board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all directors of the corporation and to any member who requests it in writing, which report shall contain the following information in appropriate detail:

(a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;

(b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;

(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

(d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;

- (e) Any information required by Section 7 of this Article.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

If this corporation receives TWENTY-FIVE THOUSAND DOLLARS (\$25,000), or more, in gross revenues or receipts during the fiscal year, this corporation shall automatically send the above annual report to all members, in such manner, at such time, and with such contents, including an accompanying report from independent accountants or certification of a corporate officer, as specified by the above provisions of this Section relating to the annual report.

SECTION 7. ANNUAL STATEMENT OF SPECIFIC TRANSACTIONS TO MEMBERS

This corporation shall mail or deliver to all directors and any and all members a statement within one hundred and twenty (120) days after the close of its fiscal year that briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

- (a) Any transaction in which the corporation, or its parent or its subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest:
- (1) Any director or officer of the corporation, or its parent or subsidiary (a mere common directorship shall not be considered a material financial interest); or
 - (2) Any holder of more than ten percent (10%) of the voting power of the corporation, its parent or its subsidiary.

The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than FIFTY THOUSAND DOLLARS (\$50,000) or which was one of a number of transactions with the same persons involving, in the aggregate, more than FIFTY THOUSAND DOLLARS (\$50,000).

Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than TEN THOUSAND DOLLARS (\$10,000) paid during the previous fiscal year to any director or officer, except that no such statement need be made if such indemnification was approved by the members.

Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest, provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

If this corporation provides all members with an annual report according to the provisions of Section 6 of this Article, then such annual report shall include the information required by this Section.

ARTICLE 9 FISCAL YEAR

SECTION 1. FISCAL YEAR OF THE CORPORATION

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE 10 AMENDMENTS OF ARTICLES OR BYLAWS

SECTION 1. AMENDMENT

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, the Articles of Incorporation of the Corporation or these Bylaws, or any of them, may be altered, amended, or repealed and new Articles and/or Bylaws adopted by a vote of the Members.

ARTICLE 11 RESTRICTIONS ON CORPORATE ASSETS

SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

No director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation.

ARTICLE 13

MEMBERS

SECTION 1. RIGHTS OF MEMBERS

No member shall hold more than one membership in the corporation. Except as expressly provided in or authorized by the Articles of Incorporation or Bylaws of this corporation, all memberships shall have the same rights, privileges, restrictions and conditions. Members shall have the right to vote on the election of directors, on the disposition of all or substantially all of the corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the corporation. Members shall have all rights afforded to members under California law.

SECTION 1. ADMISSION OF NEW MEMBERS

An Applicant shall be qualified as a new Member of the Corporation upon meeting all of the following conditions:

- (a) The applicant's completion of a membership application indicating that the member seeks to become a member of the Corporation and agrees to support the purposes of the Corporation; and
- (b) Payment of dues in an amount set from time to time by the Board of Directors.

SECTION 4. NUMBER OF MEMBERS

There is no limit on the number of members the corporation may admit.

SECTION 5. MEMBERSHIP BOOK

The corporation shall keep a membership book containing the name and address, telephone number and email address of each member. Termination of the membership of any member shall be recorded in the book, together with the date of termination. Such book shall be kept at the corporation's principal office and shall be available for inspection by any director or member of the corporation during regular business hours.

The record of names and addresses of the members of this corporation shall constitute the membership list of this corporation and shall not be used, in whole or part, by any person for any purpose not reasonably related to a member's interest as a member.

SECTION 6. NONLIABILITY OF MEMBERS

A member of this corporation is not, as such, personally liable for the debts, liabilities, or obligations of the corporation.

SECTION 7. NONTRANSFERABILITY OF MEMBERSHIPS

No member may transfer a membership or any right arising therefrom. All rights of membership cease upon the member's death.

SECTION 8. TERMINATION OF MEMBERSHIP

(a) Grounds for Termination. The membership of a member shall terminate upon the occurrence of any of the following events:

(1) The resignation of the Member.

(2) Upon a good faith determination by the Board of Directors, or a committee 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, that the member fails to support the purposes of the corporation, or that the member has engaged in conduct materially and seriously prejudicial to the interests or purposes of the corporation.

(3) If this corporation has provided for the payment of dues by members, upon a failure to renew his or her membership by paying dues on or before their due date.

(b) Procedure for Expulsion. Following the determination that a member should be expelled under subparagraph (a)(2) of this section, the following procedure shall be implemented:

(1) A notice shall be sent by first-class or registered mail to the last address of the member as shown on the corporation's records, setting forth the expulsion and the reasons therefor. Such notice shall be sent at least fifteen (15) days before the proposed effective date of the expulsion.

(2) The member being expelled shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held not less than five (5) days before the effective date of the proposed expulsion. The hearing will be held by the Board of Directors, or the committee authorized by the board to expel the member, in accordance with the quorum and voting rules set forth in these Bylaws. The notice to the member of his or her proposed expulsion shall state the date, time, and place of the hearing on his or her proposed expulsion.

(3) Following the hearing, the Board of Directors, or a committee authorized by the board to make such a determination, shall decide whether or not the member should in fact be expelled, suspended, or sanctioned in some other way. The decision of the Board, or a committee authorized by the board to make such a determination, shall be final.

(4) If this corporation has provided for the payment of dues by members, any person expelled from the corporation shall receive a refund of dues already paid. The refund shall be pro-rated to return only the un-accrued balance remaining for the period of the dues payment.

(5) Any action challenging an expulsion, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion.

SECTION 9. RIGHTS ON TERMINATION OF MEMBERSHIP

All rights of a member in the corporation shall cease on termination of membership as herein provided.

SECTION 11. AMENDMENTS RESULTING IN THE TERMINATION OF MEMBERSHIPS

Notwithstanding any other provision of these Bylaws, if any amendment of the Articles of Incorporation or of the Bylaws of this corporation would result in the termination of all memberships or any class of memberships, then such amendment or amendments shall be effected only in accordance with the provisions of Section 5342 of the California Nonprofit Public Benefit Corporation Law.

ARTICLE 14

MEETINGS OF MEMBERS

SECTION 1. PLACE OF MEETINGS

Meetings of members shall be held at such place or places within or without the State of California as may be designated from time to time by resolution of the Board of Directors.

Any meeting, regular or special, may be held by conference telephone. Participation in a meeting through use of conference telephone constitutes presence in person at that meeting so long as all members participating in the meeting are able to hear one another.

SECTION 2. ANNUAL MEETINGS

The members shall meet annually on [LA6](#) the first Sunday of December in each year, at 3:00 PM, for the purpose of electing directors and transacting other business as may come before the meeting. Cumulative voting for the election of directors shall not be permitted. The candidates receiving the highest number of votes up to the number of directors to be elected shall be elected. Each voting member shall cast one vote, with voting being by ballot only. The annual meeting of members for the purpose of electing directors shall be deemed a regular meeting and any reference in these Bylaws to regular meetings of members refers to this annual meeting.

If the day fixed for the annual meeting or other regular meetings falls on a legal holiday, such meeting shall be held at the same hour and place on the next business day.

SECTION 3. SPECIAL MEETINGS OF MEMBERS

Special meetings of the members shall be called by the Board of Directors, the Chairperson of the Board (if any), or the President of the corporation. In addition, special meetings of the members for any lawful purpose may be called by five percent (5%) or more of the members.

SECTION 4. NOTICE OF MEETINGS

(a) Time of Notice. Whenever members are required or permitted to take action at a meeting, a written notice of the meeting shall be given by the Secretary of the corporation not less than ten (10) nor more than ninety (90) days before the date of the meeting to each member who, on the record date for the notice of the meeting, is entitled to vote thereat, provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less [LA7](#) than twenty (20) days before the meeting.

(b) Manner of Giving Notice. Notice of a members' meeting or any report shall be given either personally or by mail, or by email, or other means of written communication, addressed to the member at the address of such member appearing on the books of the corporation or given by the member to the corporation for the purpose of notice; or if no address appears or is given, at the place where the principal office of the corporation is located or by publication of notice of the meeting at least once in a newspaper of general circulation in the county in which the principal office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by email or other means of written communication.

(c) Contents of Notice. Notice of a membership meeting shall state the place, date, and time of the meeting and (1) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) in the case of a regular meeting, those matters which the Board, at the time notice is given, intends to present for action by the members. Subject to any provision to the contrary contained in these Bylaws, however, any proper matter may be presented at a regular meeting for such action. The notice of any meeting of members at which directors are to be elected shall include the names of all those who are nominees at the time notice is given to members.

(d) Notice of Meetings Called by Members. If a special meeting is called by members as authorized by these Bylaws, the request for the meeting shall be submitted in writing, specifying the general nature of the business proposed to be transacted and shall be delivered personally or sent by registered mail or by email to the Chairperson of the Board, President, Treasurer^[LA8] or Secretary of the corporation. The officer receiving the request shall promptly cause notice to be given to the members entitled to vote that a meeting will be held, stating the date of the meeting. The date for such meeting shall be fixed by the Board and shall not be less than thirty-five (35) nor more than ninety (90) days after the receipt of the request for the meeting by the officer. If the notice is not given within twenty (20) days after the receipt of the request, persons calling the meeting may give the notice themselves.

(e) Waiver of Notice of Meetings. The transactions of any meeting of members, however called and noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Waiver of notices or consents need not specify either the business to be transacted or the purpose of any regular or special meeting of members, except that if action is taken or proposed to be taken for approval of any of the matters specified in subparagraph (f) of this section, the waiver of notice or consent shall state the general nature of the proposal. 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.

(f) Special Notice Rules for Approving Certain Proposals. If action is proposed to be taken or is taken with respect to the following proposals, such action shall be invalid unless unanimously approved by those entitled to vote or unless the general nature of the proposal is stated in the notice of meeting or in any written waiver of notice:

- (1) Removal of directors without cause;
- (2) Filling of vacancies on the Board by members;
- (3) Amending the Articles of Incorporation; and
- (4) An election to voluntarily wind up and dissolve the corporation.

(g) Electronic Notice. Notice given by electronic transmission (including email) by the corporation shall be valid only if:

(1) Delivered by (i) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the corporation, (ii) posting on an electronic message board or network which the corporation has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof, or (iii) other means of electronic communication;

(2) To a recipient who has provided an un-revoked consent to the use of those means of transmission for communications, and

(3) That creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

Notwithstanding the foregoing, an electronic transmission by this corporation to a member is not authorized unless, in addition to satisfying the requirements of this section, the consent to the transmission has been preceded by or includes a clear written statement to the recipient as to (i) any right of the recipient to have the record provided or made available on paper or in non-electronic form, (ii) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the corporation, and (iii) the procedures the recipient must use to withdraw consent.

Notice shall not be given by electronic transmission by the corporation after either of the following: (i) the corporation is unable to deliver two consecutive notices to the member by that means; or (ii) the inability so to deliver the notices to the member becomes known to the secretary or any other person responsible for the giving of the notice.

SECTION 5. QUORUM FOR MEETINGS

A quorum shall consist of at least twenty (20) Members of the Corporation or at least one-third (1/3) of the Members of the Corporation, whichever is greater.

The members present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of members from the meeting provided that any action taken after the loss of a quorum must be approved by at least a majority of the members required to constitute a quorum.

SECTION 6. MAJORITY ACTION AS MEMBERSHIP ACTION

Every act or decision done or made by a majority of Members present at a duly held meeting at which a quorum is present is the act of the members, unless the law, the Articles of Incorporation of this corporation, or these Bylaws require a greater number.

SECTION 7. VOTING RIGHTS

Each Member is entitled to one vote on each matter submitted to a vote by the members. Voting at duly held meetings shall be by voice vote or by written ballot. Election of Directors, however, shall be by ballot.

SECTION 8. CONDUCT OF MEETINGS

Meetings of members shall be presided over by the Chairperson of the Board, or, if there is no Chairperson, by the President of the corporation or, in his or her absence, by a Chairperson chosen by a majority of the voting members, present in person or by proxy. The Secretary of the corporation shall act as Secretary of all meetings of members, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

SECTION 9. ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING

Except as otherwise provided in these Bylaws, any action required or permitted to be taken by the members may be taken without a meeting, if all Members shall individually or collectively consent in writing to the action. 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.

SECTION 10. ACTION BY WRITTEN BALLOT WITHOUT A MEETING

Any action which may be taken at any regular or special meeting of members may be taken without a meeting if the corporation distributes a written ballot to each member entitled to vote on the matter. The ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of each proposal, provide that where the person solicited specifies a choice with respect to any such proposal the vote shall be cast in accordance therewith, and provide a reasonable time within which to return the ballot to the corporation. Ballots shall be mailed or delivered in the manner required for giving notice of meetings specified in Section 4(b) of this Article.

All written ballots shall also indicate the number of responses needed to meet the quorum requirement and, except for ballots soliciting votes for the election of directors, shall state the percentage of approvals necessary to pass the measure submitted. The ballots must specify the time by which they must be received by the corporation in order to be counted.

Approval of action by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the action at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Directors may be elected by written ballot. Such ballots for the election of directors shall list the persons nominated at the time the ballots are mailed, emailed or delivered. If any such ballots are marked "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld, they shall not be counted as votes either for or against the election of a director.

A written ballot may not be revoked after its receipt by the corporation or its deposit in the mail or sending by email, whichever occurs first.

SECTION 11. REASONABLE NOMINATION AND ELECTION PROCEDURES

This corporation shall make available to members reasonable nomination and election procedures with respect to the election of directors by members. Such procedures shall be reasonable given the nature, size and operations of the corporation, and shall include:

- (a) A reasonable means of nominating persons for election as directors.
- (b) A reasonable opportunity for a nominee to communicate to the members the nominee's qualifications and the reasons for the nominee's candidacy.

- (c) A reasonable opportunity for all nominees to solicit votes.
- (d) A reasonable opportunity for all members to choose among the nominees.

Upon the written request by any nominee for election to the Board and the payment with such request of the reasonable costs of mailing or emailing (including postage, if applicable), the corporation shall, within ten (10) business days after such request (provided payment has been made) mail or email to all members or such portion of them that the nominee may reasonably specify, any material which the nominee shall furnish and which is reasonably related to the election, unless the corporation within five (5) business days after the request allows the nominee, at the corporation's option, the right to do either of the following:

(1) Inspect and copy the record of all members' names, addresses, email addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand upon the corporation, which demand shall state the purpose for which the inspection rights are requested; or

(2) Obtain from the Secretary, upon written demand and payment of a reasonable charge, a list of the names, addresses, email addresses and voting rights of those members entitled to vote for the election of directors, as of the most recent record date for which

it has been compiled or as of any date specified by the nominee subsequent to the date of demand.

The demand shall state the purpose for which the list is requested and the membership list shall be made available on or before the later of ten (10) business days after the demand is received or after the date specified therein as the date as of which the list is to be compiled.

If the corporation distributes any written election material soliciting votes for any nominee for director at the corporation's expense, it shall make available, at the corporation's expense, to each other nominee, in or with the same material, the same amount of space that is provided any other nominee, with equal prominence, to be used by the nominee for a purpose reasonably related to the election.

Generally, any person who is qualified to be elected to the Board of Directors shall be nominated at the annual meeting of members held for the purpose of electing directors by any member

present at the meeting in person or by proxy. However, if the corporation has five hundred (500) or more members, any of the additional nomination procedures specified in subsections (a) and (b) of Section 5221 of the California Nonprofit Public Benefit Corporation Law may be used to nominate persons for election to the Board of Directors.

If this corporation has five thousand (5,000) or more members, then the nomination and election procedures specified in Section 5522 of the California Nonprofit Corporation Law shall be followed by this corporation in nominating and electing persons to the Board of Directors.

CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the Bylaws of the corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said corporation on the date set forth below.

Dated: _____, 2011

Secretary

[\[LA1\]](#)Change ratified by members 15 Dec 2013 at member meeting

[\[LA2\]](#)Deleted from original: “the second Friday of each month, except for August”

Note: time and place of meetings is nominated elsewhere in the by-laws

[\[LA3\]](#)Original text: “shall hold office for 2 years, with 5 members terming out on even years, and 4 members terming out on odd years. To establish this process, for the Board seated in 2011, 4 of these Board Members will serve a term of only 1 year. Board Members will serve until the next annual meeting for election of the Board of Directors as specified in these Bylaws, and until his or her successor is elected and qualifies.

[\[LA4\]](#)Original text: second Friday in November

[\[LA5\]](#)Added “by” and “majority” and “board” (previous typo)

[\[LA6\]](#)Original: “shall meet annually on fourth Sunday in January, at 3:00 PM”

[\[LA7\]](#)Edit from Mike

[\[LA8\]](#)Deleted “Vice President”. VP isn’t mentioned or defined in any other section of the bylaws.