
Adopted by the Members April 13, 2015

BY-LAWS
OF
PROFESSIONAL FIDUCIARY ASSOCIATION OF CALIFORNIA

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FOR

BY-LAWS

OF

PROFESSIONAL FIDUCIARY ASSOCIATION OF CALIFORNIA

a California Mutual Benefit Corporation

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References to [Corp Code §] following By-Laws sections refer to the California Corporations Code section that is the source of, or authority for, all or part of that particular section of the By-Laws. References in the text of sections to Corp Code § also refer to the California Corporations Code.

BY-LAWS

OF

PROFESSIONAL FIDUCIARY ASSOCIATION OF CALIFORNIA

A California Nonprofit Mutual Benefit Corporation

ARTICLE 1

Organization

SECTION 1.1 NAME. The name of the Corporation is Professional Fiduciary Association of California.

SECTION 1.2 ORGANIZATION AND PURPOSES. The Corporation is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. As provided in its Articles of Incorporation, the purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law. As also provided in the Articles, such purposes may include uniting private professional fiduciaries and conservators; providing a medium through which any member may present suggestions or inquiries in the interest of mutual benefit to all members and interchanging ideas and solving problems containing mutual factors and arriving at solutions beneficial to the members of the Corporation; engaging in such activities of a general nature which shall be of advantage to and promote the welfare of all members of the Corporation; and expending the assets of the Corporation for the uses and purposes for which it is formed, but not contemplating the distribution of gains, profits or dividends to the members. In addition, as provided in the Articles, the Corporation is to have perpetual existence.

SECTION 1.3 CONSTRUCTION. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these By-Laws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

SECTION 1.4 PRINCIPAL OFFICE. The principal office for the transaction of business of the Corporation shall be located in the State of California, at such location as may be designated by the Board of Directors of the Corporation.

ARTICLE 2

Membership

SECTION 2.1 APPLICATIONS FOR AND ADMISSION TO MEMBERSHIP; NO TRANSFER RIGHTS. Applications for membership shall be made on such forms and/or in such manner as authorized or prescribed by the Board or a committee authorized by the Board and/or as may be set forth in the Board Manual. Each member, upon acceptance, shall be assigned to one of the membership classifications established by these By-Laws. The Corporation may admit members pursuant to procedures as shall be determined by the Board or a committee authorized by the Board and/or as may be set forth in the Board Manual. No membership or any right arising therefrom shall be sold, assigned or otherwise transferred, whether by operation of law or otherwise, and any attempt to sell, assign or otherwise transfer the same shall be automatically null and void. All rights as a member of the Corporation cease upon the member's death. [Corp Code §§ 5056, 7151, 7310, 7320, 7613]

SECTION 2.2 CLASSES AND QUALIFICATIONS. The classes of and qualifications for membership in this Corporation are as follows:

221 General Member. General Members in good standing shall be entitled to vote as a member of the Corporation and to hold office, as a director and/or officer, in the Corporation, each as provided in Section 2.3 below. Consideration for General Membership shall be limited to applicants who have:

(i) a Bachelor's Degree from an accredited institution and a minimum of two (2) years of experience as a Professional Fiduciary, with a minimum of two (2) cases not related to the fiduciary; or

(ii) an Associate of Arts Degree from an accredited institution and a minimum of four (4) years of experience as a Professional Fiduciary, with a minimum of two (2) cases not related to the fiduciary; or

(iii) a minimum of four (4) years of experience as a Professional Fiduciary, with a minimum of two (2) cases not related to the fiduciary, and one of the following:

1. Completion of a licensed college, university, extension or vocational fiduciary program course of study that requires passing grade testing and leads to the school's certificate program diploma, or

2. Evidence of qualification as a Certified Trust and Financial Advisor under the American Banking Association; or

(iv) equivalent experience assessed and approved by a majority of the Corporation Board of Directors in relation but not limited to a combination of the following: Acting as a trustee or co-trustee; Acting as named executor or administrator; Acting as a conservator or guardian of the person and/or the estate; Acting as a representative payee authorized by the Social Security Administration and Veterans Administration; Acting under a durable power of

attorney for finances or for health (Advance Directive); or Acting in a decision making capacity with signing authority for bank, brokerage, real estate and court petitions – such as a bank trust officer or officer of the public guardian, public administrator, or public conservator.

(v) Notwithstanding (i), (ii), (iii) and (iv), above, all General Members shall be currently licensed or exempt from licensure by the State of California Professional Fiduciaries Bureau.

222 Charter Member. Charter Members in good standing shall be entitled to vote as a member of the Corporation and to hold office, as a director and/or officer, in the Corporation, each as provided in Section 2.3 below. A Charter Member is one who was an existing member of one of the three founding regional groups who had actively practiced as a Professional Fiduciary for a minimum of two (2) years and who applied for membership within three (3) months of the acceptance of these By-Laws. Notwithstanding the immediately preceding sentence, all Charter Members shall be currently licensed or exempt from licensure by the State of California Professional Fiduciaries Bureau.

223 Associate Member. Associate Members in good standing shall be entitled to vote as a member of the Corporation, as provided in Section 2.3 below, but not to hold office, as a director and/or officer, in the Corporation. Associate Membership is limited to five (5) years and will consist of persons actively pursuing a Professional Fiduciary career. Extension and modification shall be at the discretion of the Board or a committee authorized by the Board.

224 Emeritus Member. Emeritus Members in good standing shall be entitled to vote as a member of the Corporation and to hold office, as a director and/or officer, in the Corporation, each as provided in Section 2.3 below. Applicants for Emeritus Membership shall be General or Charter Members who have retired from their fiduciary work and have provided extraordinary service to the Corporation at the Chapter, Region or State level. They shall be granted emeritus status by approval of the Board.

225 Affiliate Member. Affiliate Members in good standing shall not be entitled to vote as a member of the Corporation nor to hold office, as a director and/or officer, in the Corporation. Consideration for Affiliate Membership is open to applicants who wish to further the goals of the Corporation while working in a profession affiliated to the fiduciary industry. [Corp Code §§ 7330, 7333]

SECTION 2.3 VOTING AND OTHER RIGHTS. Only General Members, Charter Members, Associate Members and Emeritus Members in good standing shall be entitled to vote. Members in good standing of those four classes shall have the right to vote for the election of officers and directors as set forth in these By-Laws and on such other matters to the extent required by the California Corporations Code, including without limitation on disposition of all or substantially all of the Corporation's assets other than in the usual and regular course of the Corporation's activities, on the principal terms of a merger of the Corporation and any changes in such principal terms and on an election to dissolve the Corporation. No members of any member class other than the four mentioned shall have the right to vote on any matter. Only General Members, Charter Members and Emeritus

Members in good standing shall be entitled to hold office, as a director and/or officer, in the Corporation. The other rights, privileges, preferences, restrictions and/or conditions of each class of membership may also differ and shall be as determined by the Board of Directors and/or as set forth in the Board Manual. [Corp Code §§5056, 7151, 7330, 7331, 7333, 7520, 7610, 7911, 7912, 8012, 8015 and 8610]

SECTION 2.4 REFERENCES TO MEMBERS. The Corporation, in these By-Laws or elsewhere, may refer to Affiliate Members or other persons associated with the Corporation as "members," even though members of that class of membership or other persons are not General Members, Charter Members, Associate Members or Emeritus Members as set forth in these By-Laws, but no such reference shall constitute anyone as a member within the meaning of California Corporations Code Section 5056 unless that person shall have qualified for a General, Charter, Associate or Emeritus Membership as set forth in these By-Laws. [Corp Code §§5056 and 7333]

SECTION 2.5 DUES, FEES AND ASSESSMENTS. The Corporation may levy such dues upon its members as determined by the Board or a committee authorized by the Board and may also charge fees and assessments. Each member must pay, within the time periods and on the conditions set by the Corporation, such dues, fees and assessments. [Corp Code §§ 7151, 7351]

SECTION 2.6 TERMINATION OF MEMBERSHIP. A membership shall terminate on occurrence of any one of the following events:

(a) Resignation of the member in writing (with all fees, charges and dues owing by the resigning member remaining due and payable and with no refund of paid dues or fees for unused services);

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

(c) The member's failure to pay dues, fees, or assessments as set by the Board within a designated period of time after they are due and payable;

(d) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or

(e) Termination of membership under Section 2.8 of these By-Laws based on the good faith determination by the Board, 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, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests. [Corp Code §§ 7340, 7341]

SECTION 2.7 SUSPENSION OF MEMBERSHIP. A member may be suspended, under Section 2.8 of these By-Laws, 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. [Corp Code § 7341]

SECTION 2.8 PROCEDURES FOR TERMINATION OR SUSPENSION OF MEMBERSHIP. If grounds appear to exist for suspending or terminating a member under Sections 2.6 or 2.7 of these By-Laws, the following procedure shall be followed:

(a) The Corporation 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 by first-class or registered mail to the member's last address as shown on the Corporation's records.

(b) 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 authorized by the Board to determine whether the suspension or termination should occur.

(c) The Board or committee shall decide whether the member's membership should be terminated, or whether the member should be suspended or otherwise sanctioned in any way. The decision of the Board or committee shall be final.

(d) Any action challenging a termination of membership, suspension or other sanction, including a claim alleging defective notice, must be commenced within one year after the date of the suspension or termination. [Corp Code § 7341]

ARTICLE 3

Meetings of Members

SECTION 3.1 ANNUAL/REGULAR MEETINGS. Annual or other regular meetings of members shall be held on such dates and at such times as may be fixed by the Board of Directors. [Corp Code § 7510]

SECTION 3.2 PLACE OF MEETINGS. Meetings of members shall be held at any place within or outside California designated by the Board. In the absence of any such designation, members' meetings shall be held at a location designated by the Executive Director. [Corp Code § 7510]

SECTION 3.3 SPECIAL MEETINGS. The Board or the President or 5 percent or more of the voting members may call a special meeting of the members for any lawful purpose. A special meeting called by any person entitled to call a meeting (other than the Board) shall be called by written request, specifying the general nature of the business

proposed to be transacted, and submitted to the President or the 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 as provided in these By-Laws, stating that a meeting will be held at a specified place, time and date fixed by the Board, provided, however, that 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. No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting. [Corp Code §§ 7510, 7511]

SECTION 3.4 NOTICE OF MEETINGS. (a) Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given to each member entitled to vote at that meeting. The notice shall specify the place, date, and time of the meeting. Subject to By-Laws Section 3.5 below, for the annual 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. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.

(b) 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, 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 (i) notice is sent to that member by first-class mail or facsimile or other written communication to the Corporation's principal office or (ii) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located. Notice given by electronic transmission by the Corporation under this subsection shall be valid only if it complies with Section 10.6. Notwithstanding the foregoing, notice shall not be given by electronic transmission by the Corporation under this subsection after either of the following: (1) The Corporation is unable to deliver two consecutive notices to the member by that means. (2) The inability to so deliver the notices to the member becomes known to the Secretary, any assistant secretary or any other person responsible for the giving of the notice.

(c) 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 or assistant secretary of the Corporation, and if so executed, shall be filed and maintained in the Corporation's minute book. [Corp Code § 7511]

SECTION 3.5 QUORUM. Twenty Five Percent (25%) of the voting power, represented in person, shall constitute a quorum for the transaction of business at any meeting

of members. Since, as indicated in the preceding sentence, these By-Laws authorize the Corporation to conduct a meeting with a quorum of less than one-third of the voting power, then the only matters that may be voted upon at any annual meeting actually attended, in person, by less than one-third of the voting power are matters notice of the general nature of which was given under Section 3.4(a) of 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. 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. [Corp Code §§ 7511(a), 7512]

SECTION 3.6 WAIVER OF NOTICE OR CONSENT. (a) The transactions of any meeting of members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after standard call and notice, if a quorum is present, and if either before or after the meeting, each member entitled to vote, not present in person, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(b) 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. [Corp Code § 7511(e)]

SECTION 3.7 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. [Corp Code § 7516]

SECTION 3.8 ACTION BY WRITTEN BALLOT WITHOUT A MEETING. Any action that members may take at any meeting of members, including, without limitation, election of directors, may also be taken without a meeting by complying with this section of these By-Laws, as follows:

(a) This Corporation shall distribute one written ballot to each member entitled to vote on the matter. If approved by the Board, that ballot and any related material may be sent by electronic transmission by the Corporation (Section 10.6) and responses may be returned to the Corporation by electronic transmission to the Corporation (Section 10.7). All solicitations of votes by written ballot shall (i) state the number of responses needed to meet the quorum requirement; (ii) state, with respect to ballots other than for election of directors, the

percentage of approvals necessary to pass the measure or measures; and (iii) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (A) set forth the proposed action; (B) give the members an opportunity to specify approval or disapproval of each proposal; and (C) provide a reasonable time in which to return the ballot to the Corporation. If the Corporation has 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.

(b) In any election of directors, a written ballot that a member 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.

(c) Approval by written ballot shall be valid only when (i) 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 (ii) 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. A written ballot may not be revoked. [Corp Code §§ 7513, 7514]

SECTION 3.9 RECORD DATE. (a) 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:

(i) Sending notice of a meeting shall be no more than 90 nor less than 10 days before the date of the meeting;

(ii) Voting at a meeting shall be no more than 60 days before the date of the meeting;

(iii) 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

(iv) Taking any other action shall be no more than 60 days before that action. [Corp Code § 7611]

(b) 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 business day preceding the day on which notice is given or, if notice is waived, the business day preceding the day on which the meeting is held. If not otherwise fixed by the Corporation, 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 Corporation, 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. A person holding a membership at the close of business on the record date shall be a member of record. [Corp Code § 7611]

SECTION 3.10 NO PROXIES. No member entitled to vote shall have the right to do so by one or more agents authorized by a written proxy. [Corp Code §§ 5069 and 7613]

SECTION 3.11 ADJOURNMENT AND NOTICE OF ADJOURNED MEETINGS. Any members' meeting, whether or not a quorum is present, may be adjourned from time to time to another time and place by the vote of the majority of the members represented at the meeting in person. No meeting may be adjourned for more than 45 days. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned (or the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which members may participate) are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting. [Corp Code §§ 7511(d), 7512(d)]

ARTICLE 4

Board of Directors

SECTION 4.1 GENERAL POWERS. 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 By-Laws regarding actions that require approval of the members, the activities and affairs of the Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors of the Corporation. The Board may delegate the management of the activities of the Corporation to any person or persons, management company, or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.[Corp Code §7210]

SECTION 4.2 NUMBER OF DIRECTORS; QUALIFICATIONS. (a) **Number.** The Board of Directors shall consist of at least eleven (11) but not more than twenty-three (23) directors unless changed by amendment to these By-Laws. The Board shall include the Corporation officers of President, Vice President, Secretary, Treasurer and Immediate Past President. The Board shall also include such Regional officer(s) and/or director(s) as determined by the Board of Directors as set forth below in this Section 4.2. The Executive Director has no Board vote and is therefore not a director but attends Board meetings and facilitates Board functions as part of such Executive Director's duties. The

exact number of directors, within the minimum and maximum, inclusive, shall be fixed or changed from time to time by the Board of Directors' determination at any given time as to (i) the number of Regions authorized and (ii) the Regional officer(s) and/or director(s) elected by each Region who shall be included on the Board of Directors, in each case by a resolution adopted by the Board and/or by the adoption, approval, acceptance or amendment of a Board Manual by the Board, in all such cases without the need for any amendment to these By-Laws. Any reduction of the authorized number of directors does not remove any director prior to the expiration of the director's term of office unless the reduction also provides for the removal of one or more specified directors.

(b) **Qualifications.** (1) All Directors must be General Members, Charter Members or Emeritus Members in good standing of the Corporation.

(2) If a Director misses three (3) consecutive Board meetings, the Board may remove such Director. See also Section 4.4(h) of these By-laws generally as to removal of a Director based on failing or ceasing to meet qualifications.

(3) The Board of Directors may waive any disqualification referred to in this Section 4.2(b).

(4) Such other qualifications as are included in the Board Manual or as the Board shall otherwise determine shall be deemed prescribed by these By-Laws. [Corp Code §§ 5047, 7221, 7151(a) and (c), 7220(d) and 7222(c)]

SECTION 4.3 SELECTION; TERMS OF OFFICE; TERM LIMITS. (a) **Selection.** In accordance with reasonable nomination and election procedures established by the Board of Directors and made available to the voting members, each year an authorized committee or committees, or the Board, shall select nominees for the positions as officer then up for election (who upon their election by the voting members shall be directors), and additional nominations may be made by petition. Election shall be by written ballot or at a meeting as determined by the Board. In addition, each year the Immediate Past President shall become a director and the directors from the Regions shall be elected and determined as provided in Sections 4.2 and 8.2.

(b) **Terms of Office.** The President, the Vice President and the Immediate Past President shall each serve for a term of one (1) year as director; the Treasurer and the Secretary shall each serve for a term of two (2) years as director; and the directors from the Regions shall serve for a term of one (1) or two (2) years as determined by the Board in accordance with Sections 4.2 and 8.2. Each such term of office shall continue for the term provided or for the completion of the remaining term by a director filling a vacancy, and in each case until the director's successor shall have been elected and qualified, unless the director has been removed from office.

(c) **Term Limits.** State officers, who are Directors by virtue of holding such officer positions, are subject to term limits as set forth in Section 7.2(c) below. [Corp Code §§7220, 7520, 7510, 7513, 7514]

SECTION 4.4 REMOVAL. (a) Subject to subdivisions (b) and (f) of this section, any or all directors may be removed without cause if: (1) In a corporation with fewer than 50 members, the removal is approved by a majority of all members (Corp Code § 5033). (2) In a corporation with 50 or more members, the removal is approved by the members (Corp Code § 5034). (3) In a corporation with no members, the removal is approved by a majority of the directors then in office.

(b) Except for a corporation having no members, pursuant to Corp Code § 7310: (1) In a corporation in which the articles or By-Laws authorize members to cumulate their votes pursuant to subdivision (a) of Corp Code § 7615, no director may be removed (unless the entire Board is removed) when the votes cast against removal, or not consenting in writing to the removal, would be sufficient to elect the director if voted cumulatively at an election at which the same total number of votes were cast (or, if the action is taken by written ballot, all memberships entitled to vote were voted) and the entire number of directors authorized at the time of the director's most recent election were then being elected. (2) When by the provisions of the articles or By-Laws the members of any class, voting as a class, are entitled to elect one or more directors, any director so elected may be removed only by the applicable vote of the members of that class. (3) When by the provisions of the articles or By-Laws the members within a chapter or other organizational unit, or region or other geographic grouping, voting as such, are entitled to elect one or more directors, any director so elected may be removed only by the applicable vote of the members within the organizational unit or geographic grouping.

(c) Any reduction of the authorized number of directors or any amendment reducing the number of classes of directors does not remove any director prior to the expiration of the director's term of office unless the reduction or amendment also provides for the removal of one or more specified directors. [Corp Code §7222(c)]

(d) Except as provided in this Section 4.4, a director may not be removed prior to the expiration of the director's term of office.

(e) Where a director removed under this Section 4.4 was chosen by designation pursuant to Corp Code § 7220(d), then: (1) Where a different person may be designated pursuant to the governing article or bylaw provision, the new designation shall be made. (2) Where the governing article or bylaw provision contains no provision under which a different person may be designated, the governing article or bylaw provision shall be deemed repealed.

(f) When by the provisions of the articles or By-Laws a person or persons are entitled to designate one or more directors, then: (1) Unless otherwise provided in the articles or By-Laws at the time of designation, any director so designated may be removed without cause by the designating person or persons. (2) Any director so designated may only be removed under subdivision (a) with the written consent of the designating person or persons. [Corp Code §7222]

(g) The Board 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, in the case of a

corporation holding assets in charitable trust, has been found by a final order or judgment of any court to have breached any duty arising as a result of Corp Code § 7238, or, if at the time a director is elected, the By-Laws provide that a director may be removed for missing a specified number of Board meetings, fails to attend the specified number of meetings. [Corp Code §7221(a)]

(h) As provided in Corp Code § 7151(c)(3), the articles or By-Laws may prescribe the qualifications of the directors. The Board, by a majority vote of the directors who meet all of the required qualifications to be a director, may declare vacant the office of any director who fails or ceases to meet any required qualification that was in effect at the beginning of that director's current term of office. [Corp Code §7221 (b)]

(i) Pursuant to Corp Code § 7223, the superior court of the proper county may in certain circumstances also remove a director.

SECTION 4.5 RESIGNATION. Any Director may resign effective upon giving written notice to the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be elected before that time, to take office when the resignation becomes effective. [Corp Code §7224(c)]

SECTION 4.6 VACANCIES. 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 Corp Code § 7211, or (3) a sole remaining director. The members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. Unless the individual filling a vacancy as provided above has been removed from office, such individual shall serve for the unexpired term of his or her predecessor in office. Any reduction of the authorized number of directors does not remove any director prior to the expiration of the director's term of office unless the reduction also provides for the removal of one or more specified directors. [Corp Code §§7220(b), 7222(c) and 7224(a) and (b)]

SECTION 4.7 RIGHTS OF INSPECTION. 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. [Corp Code §8334]

SECTION 4.8 PERFORMANCE OF DIRECTOR DUTIES.

(a) A Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(b) In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by: (1) One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented; (2) Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or (3) A committee upon which the Director does not serve that is composed exclusively of any or any combination of directors, persons described in (1) above, or persons described in (2) above, as to matters within the committee's designated authority, which committee the Director believes to merit confidence, so long as, in any such case, the Director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted. [Corp Code §7231(a), (b)]

SECTION 4.9 ADVISORS. The Board from time to time may appoint one or more persons to be advisors to the Board who shall not by such appointment be members of the Board and shall therefore have no vote. Advisors shall be available from time to time to perform special assignments specified by the President, to attend meetings of the Board upon invitation and to furnish consultation to the Board. The election of advisors, the period during which the title shall be held, and other matters regarding the advisors may be prescribed by the Board or included in the Board Manual. If no period is prescribed, the title shall be held at the pleasure of the Board.

ARTICLE 5

Meetings of Board of Directors

SECTION 5.1 IN GENERAL. Meetings of the Board of Directors may be called by or at the request of the President, the Vice President, the Secretary or any two Directors. Meetings of the Board may be held at a place within or without the state that has been designated in the notice of the meeting or, if not stated in the notice or there is no notice, designated in these By-Laws or by resolution of the Board. [Corp Code §7211]

SECTION 5.2 REGULAR MEETINGS. Regular meetings of the Board of Directors may be held without notice if the time and place of the meetings are fixed by these By-Laws or the Board. [Corp Code §7211]

SECTION 5.3 SPECIAL MEETINGS; NOTICE. Special meetings of the Board shall be held upon four days' notice by first-class mail or 24 hours' notice delivered personally or by telephone, including a voice messaging system or by electronic transmission by the Corporation (Section 10.6). Unless otherwise provided in these By-Laws, a notice, or waiver of notice, need not specify the purpose of any regular or special meeting of the Board. [Corp Code §7211]

SECTION 5.4 QUORUM; MANNER OF ACTING. A majority of the number of Directors then in office constitutes a quorum of the Board for the transaction of

business, except to adjourn as provided in the Adjournment section below. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board, unless a greater number is required by law or by the Articles of Incorporation or these By-Laws, except as provided in the next sentence. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting. Each Director present and voting at a meeting shall have one vote on each matter presented to the Board for action at that meeting. No Director may vote at any meeting by proxy. [Corp Code §7211]

SECTION 5.5 PARTICIPATION BY CONFERENCE TELEPHONE OR OTHER COMMUNICATIONS METHOD. Members of the Board may participate in a meeting through use of conference telephone, electronic video screen communication, or electronic transmission by and to the Corporation (Sections 10.6 and 10.7). Participation in a meeting through use of conference telephone or electronic video screen communication pursuant to this section constitutes presence in person at that meeting as long as all members participating in the meeting are able to hear one another. Participation in a meeting through use of electronic transmission by and to the Corporation, other than conference telephone and electronic video screen communication, pursuant to this section constitutes presence in person at that meeting if both of the following apply: (A) Each member participating in the meeting can communicate with all of the other members concurrently. (B) 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. [Corp Code §7211]

SECTION 5.6 WAIVER OF NOTICE. Notice of a meeting need not be given to a Director who signed a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to that Director. All waivers, consents and approvals as to a Board meeting shall be filed with the corporate records or made a part of the minutes of the meeting. [Corp Code §7211]

SECTION 5.7 ADJOURNMENT. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 24 hours, notice of an adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment. [Corp Code §7211]

SECTION 5.8 ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to that action. The consent or consents shall be filed with the minutes of the proceedings of the Board. The action by written consent shall have the same force and effect as the unanimous vote of the Directors. [Corp Code §7211]

ARTICLE 6

Committees

SECTION 6.1 CREATION OF AND DELEGATION TO BOARD COMMITTEES. The Board may, by resolution adopted by a majority of the number of Directors then in office, provided that a quorum is present, create one or more committees, each consisting of two or more Directors, to serve at the pleasure of the Board. The Board may delegate to such Board committees (consisting entirely of Directors) any of the authority of the Board, except with respect to:

- (A) Actions which by law would require approval of members (per Corp Code §5034) or of a majority of all members (per Corp Code §5033), regardless of whether the Corporation has members.
- (B) The filling of vacancies on the Board or in any committee which 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 By-Laws or the adoption of new By-Laws.
- (E) The amendment or repeal of 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) With respect to any assets held in charitable trust, the approval of any self-dealing transaction except as provided in Corp Code § 5233(d)(3). [Corp Code §7212]

SECTION 6.2 BOARD COMMITTEES. Any such committee may be designated an Executive Committee or given another name as the Board shall specify. The Board may appoint, in the same manner, one or more Directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of any of these committees shall be conducted. In the absence of prescription by the Board, a committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or a committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of these By-Laws applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee. [Corp Code §7212(a), §8320(a)(2)]

SECTION 6.3 NON-BOARD COMMITTEES. While a committee exercising the authority of the Board shall not include as members persons who are not Directors, the Board may create other committees that do not exercise the authority of the Board. These other committees may include persons who are not Directors. [Corp Code §7212(b)]

ARTICLE 7

Officers

SECTION 7.1 OFFICERS. The elected officers of the Corporation shall be a President, a Vice President, a Treasurer and a Secretary. In addition, there shall be an office of Immediate Past President. Only General Members, Charter Members and Emeritus Members in good standing shall be eligible to serve as elected officers or as Immediate Past President. One person may not hold more than one of the foregoing five offices concurrently. The Board of Directors shall also appoint an Executive Director. The Board may also choose other officers, including assistant treasurers and assistant secretaries, if any. Officers whose authority and duties are not prescribed in these By-Laws or in the Board Manual shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors. [Corp Code §7213]

SECTION 7.2 SELECTION; TERMS OF OFFICE; TERM LIMITS. (a) **Selection.** In accordance with reasonable nomination and election procedures established by the Board of Directors and made available to the voting members: (i) Each year a President and a Vice President shall be elected, and, upon completing his or her term as President, the President, or other previous past President as set forth in Section 7.11 below, shall become the Immediate Past President. (ii) In even years a Treasurer, and in odd years a Secretary, shall be elected.

(b) **Terms of Office.** The President and the Vice President shall each serve for a term of one (1) year, and the Treasurer and the Secretary shall each serve for a term of two (2) years, in each of the above cases until his or her successor shall have been elected and qualified. Election or appointment of an officer or agent shall not of itself create contract rights. The Executive Director shall continue to serve as such as long as such individual is employed by the Corporation.

(c) **Term Limits.** Once an individual has served five (5) consecutive years of terms as a state officer (comprised of any combination of one and/or two year terms), the person may not serve further as a state officer unless there is a one (1) year period between the five years and any new term as a state officer. For the purposes of this subsection (c), if a state officer's five consecutive years of terms amounts to fewer than five calendar years due to having filled a vacancy, having left early or otherwise, such state officer's service shall still be considered to constitute five consecutive years of terms so that such state officer must take off a one (1) year period as provided above before beginning a new term as a state officer. Any state officer who

is incumbent at the time of initial effectiveness of this subsection and has served five or more consecutive years of terms as of the effectiveness shall be allowed to complete his or her then-current term before having to take off a one (1) year period as provided above. In addition, as applied to the office of President, if a person has served four (4) consecutive years of terms as a state officer (comprised of any combination of one and/or two year terms), such person cannot run for election as President without taking off a one (1) year period because if elected such person would thereafter also become the Immediate Past President, thus serving a sixth consecutive year, which is prohibited by the term limits. However, if an individual exceeds the five years of terms limitation due solely to such individual's successor having served more than one year as President so that the individual must continue as Immediate Past President for more than one year and past the five year limit, such inadvertent action shall not be deemed to violate the term limit. [Corp Code §§7213, 7520]

SECTION 7.3 REMOVAL; RESIGNATION. Any officer or agent may be removed by the Board of Directors or other persons authorized to elect or appoint such officer or agent, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer may resign at any time upon written notice to the Corporation without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party. [Corp Code §7213]

SECTION 7.4 VACANCIES. The Vice President shall become the President if the President is unable to complete his or her term. Otherwise, vacancies in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these By-Laws for regular election/appointment to the office, provided that vacancies may be filled as they occur and not just on an annual basis.

SECTION 7.5 PRESIDENT. The President shall preside at all meetings of the membership and the Board of Directors. In the President's absence, the Vice President shall preside, or if both are absent, the Treasurer, then the Secretary, shall preside. The President may execute all contracts, deeds, certificates, bonds or other obligations authorized by the Board and sign records or certificates required by law or by orders of the Board of Directors. The President shall perform such other duties as may be prescribed by the Board of Directors or as shall be contained in the Corporation Board Manual, if any. [Corp Code §7213]

SECTION 7.6 VICE PRESIDENT. The Vice President shall assist the President in the discharge of his or her duties as the President may direct and shall perform such other duties as from time to time may be assigned to him or her by the President or the Board of Directors or as shall be contained in the Corporation Board Manual, if any. The Vice President shall perform the duties of the President in the event of the President's absence or refusal or inability to serve. When so acting, the Vice President shall have all the powers of, and be subject to all the restrictions upon, the President. [Corp Code §7213]

SECTION 7.7 TREASURER. The Treasurer shall be the chief financial and accounting officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of account of the Corporation. The books and records of account shall at all times be open to inspection by any Director. The Treasurer

shall deposit or cause to be deposited all moneys and other valuables in the name and to the credit of the Corporation with depositaries designated by the Board. The Treasurer shall disburse or cause to be disbursed the funds of the Corporation as ordered by the Board and shall render to the President and the Directors, whenever they reasonably request it, an account of all transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall perform the duties of the President in the event of the absence or refusal or inability to serve of both the President and the Vice President. When so acting, the Treasurer shall have all the powers of, and be subject to all the restrictions upon, the President. The Treasurer shall have such other duties as are incident to such office or required by law or as from time to time may be assigned by the President or the Board of Directors or as shall be contained in the Corporation Board Manual, if any. [Corp Code §§ 7213, 8320]

SECTION 7.8 SECRETARY. The Secretary shall record (or cause to be recorded) the minutes of the meetings of the members and of the Board of Directors. In the Secretary's absence the President may appoint an assistant secretary or a voting member to temporarily assume the Secretary's duties. The Secretary shall keep, or cause to be kept, at the principal office or other place ordered by the Board, a book of minutes of all proceedings of the members, the Board and its committees and a record of the Corporation's members giving their names and addresses and the class of membership held by each. The Secretary shall keep, or cause to be kept, at the principal office of the Corporation in the State of California the original or a copy of the Corporation's Articles of Incorporation and By-Laws, as amended to date. The Secretary shall give, or cause to be given, notice of all meetings of members, the Board and any committees of the Board required by these By-Laws or by law to be given. The Secretary shall be empowered to certify as true, the original or a copy of the By-Laws or minutes of meetings or resolutions or actions of the Corporation. The Secretary shall have such other duties as are incident to such office or required by law or as from time to time may be assigned by the President or the Board of Directors or as shall be contained in the Corporation Board Manual, if any. [Corp Code §§ 7160, 7213, 7215, 8320]

SECTION 7.9 EXECUTIVE DIRECTOR. The Executive Director shall be the general manager and chief executive officer of the Corporation responsible for all management functions. Subject to the direction and control of the Board of Directors, the Executive Director shall be in charge of the business and affairs of the Corporation. The Executive Director shall see that all orders and resolutions of the Board of Directors are carried into effect. The Executive Director may execute all contracts, deeds, certificates, bonds or other obligations authorized by the Board and sign records or certificates required by law or by orders of the Board of Directors. The Executive Director attends Board meetings and facilitates Board functions as part of such Executive Director's duties. Subject to the direction of the Board, the Executive Director may also serve as assistant treasurer and assistant secretary. Other duties may be assigned to the Executive Director by the Board of Directors by mutual agreement consistent with any contractual relationship between the Executive Director and the Corporation. [Corp Code §7213]

SECTION 7.10 ASSISTANT SECRETARIES AND ASSISTANT TREASURERS. The assistant secretaries and assistant treasurers, if any, shall perform such duties as shall be assigned or delegated to them by the Secretary or the Treasurer, respectively, or as shall be assigned by the President or the Board. The assistant secretaries

and assistant treasurers may sign with the President, or the Vice President, or any other officer thereunto authorized by the Board, any contracts or other instruments which the Board has authorized to be executed, according to the requirements of the form of the instrument, except when a different mode of execution is expressly prescribed by the Board or these By-Laws.

SECTION 7.11 IMMEDIATE PAST PRESIDENT. When the President has finished his or her term, he or she shall become the Immediate Past President, to serve for a term ending when such individual's successor as President has finished his or her term and becomes the Immediate Past President. Notwithstanding the foregoing sentence, if the immediate past President, upon completing his or her term as President or (if the President is serving multiple consecutive terms) as Immediate Past President, is unwilling or unavailable to serve as Immediate Past President, then the most recent past President willing and available to serve shall serve as the Immediate Past President. The Immediate Past President shall be a member of the Board of Directors and the Executive Committee and shall perform such other duties as may be prescribed by the Board of Directors or as shall be contained in the Corporation Board Manual, if any.

ARTICLE 8

Regional Organizations

SECTION 8.1 REGIONAL ORGANIZATIONS. The number of Regions and delineation of each Region and any chapter affiliated with a Region and any rights, privileges, preferences, restrictions and/or conditions of each Region and chapter shall be as determined and/or revised at any time by the Board of Directors and/or as set forth in the Board Manual.

SECTION 8.2 REGIONAL OFFICERS AND DIRECTORS. The number, titles, qualifications, terms, duties and other details with respect to Regional (and any chapter) directors and officers shall be as determined by the Board of Directors and/or as set forth in the Board Manual and as such shall be deemed prescribed by these By-Laws. To the extent any Regional director(s) and/or officer(s) are determined by the Board of Directors to be included on the Board of Directors, such Regional director(s) and/or officer(s) shall be elected in accordance with reasonable nomination and election procedures established by the Board of Directors and made available to the applicable voting members. [Corp Code §7520]

ARTICLE 9

Indemnification

The Corporation shall have power to provide indemnity and take related actions in accordance with the provisions of California law, including currently Corp Code §7237, and such provisions relating thereto as may be included in the Board Manual. [Corp Code §7237]

ARTICLE 10

General; Definitions; Amendments

SECTION 10.1 BOOKS AND RECORDS; MINUTES. The Corporation shall keep: (a) Adequate and correct books and records of account; (b) Minutes of the proceedings of its members, Board and committees of the Board; and (c) A record of its members giving their names and addresses and the class of membership held by each. Those minutes and other books and records shall be kept either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the foregoing. [Corp Code §8320]

SECTION 10.2 CONTENTS OF BY-LAWS. The By-Laws may contain any provisions for the regulation and management of the affairs of the Corporation not inconsistent with law or the Articles of Incorporation. The Board of Directors may also adopt a Corporation Board of Directors Policies and Procedures Manual ("Corporation Board Manual" or "Board Manual"), which may contain a number of provisions governing the operations of the Corporation not appropriate for placement in these By-Laws. [Corp Code §§7150-7153]

SECTION 10.3 PARLIAMENTARY AUTHORITY. The rules and related information contained in the current edition of Robert's Rules of Order Newly Revised shall govern the order of business and parliamentary procedure for all meetings of the Corporation in all cases to which such rules and information are applicable and in which they are not inconsistent with the California Corporations Code, these By-Laws or the Corporation Board Manual, if any; provided, such rules and information shall not be deemed to add to or supply substantive regulations to these By-Laws.

SECTION 10.4 FISCAL YEAR. The fiscal year of the Corporation shall begin January 1st and end December 31st of the same year.

SECTION 10.5 "WRITTEN" OR "IN WRITING". "Written" or "in writing" includes facsimile, telegraphic, and other electronic communication as authorized by the California Corporations Code, including an electronic transmission by the Corporation that satisfies the requirements of Section 10.6. [Corp Code §5079]

SECTION 10.6 ELECTRONIC TRANSMISSION BY THE CORPORATION. "Electronic transmission by the Corporation" means a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Corporation, (2) 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 (3) other means of electronic communication, (b) to a recipient who has provided an unrevoked consent to the use of those means of transmission for communications under or pursuant to the California Corporations Code, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form. However, an electronic transmission under the California Corporations

Code by the Corporation to an individual member of the Corporation who is a natural person, and if an officer or director of the Corporation, only if communicated to the recipient in that person's capacity as 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 (a) any right of the recipient to have the record provided or made available on paper or in nonelectronic form, (b) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the Corporation, and (c) the procedures the recipient must use to withdraw consent. [Corp Code §20]

SECTION 10.7 ELECTRONIC TRANSMISSION TO THE CORPORATION.

"Electronic transmission to the Corporation" means a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, which the Corporation has provided from time to time to members and directors for sending communications to the Corporation, (2) posting on an electronic message board or network which the Corporation has designated for those communications, and which transmission shall be validly delivered upon the posting, or (3) other means of electronic communication, (b) as to which the Corporation has placed in effect reasonable measures to verify that the sender is the member or director purporting to send the transmission, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form. [Corp Code §21]

SECTION 10.8 AMENDMENTS. (a) Subject to the members' rights under (b) and (c) below, By-Laws may be adopted, amended or repealed by the Board unless the action would:

- (1) Materially and adversely affect the rights of members 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; or
- (4) Authorize a new class of membership. [Corp Code §7150(a)]

(b) Once members have been admitted to the Corporation, the Board may not, without the members' approval, specify or change any By-Law 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. [Corp Code §7151(b)]

(c) Without the approval of the members, the Board may not adopt, amend, or repeal

any By-Law 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. [Corp Code §§ 7220(a) and (d), 7512(a), 7613(f), 7615(a)]

ARTICLE 11

Emergency Provisions

SECTION 11.1 GENERAL. (a) The provisions of this Article shall be effective only in an emergency as defined herein or, as specifically provided, in anticipation of an emergency. For purposes of this Article, "emergency" means any of the following events or circumstances as a result of which, and only so long as, a quorum of the Corporation's Board of Directors cannot be readily convened for action:

(i) A natural catastrophe, including, but not limited to, a hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought, or, regardless of cause, any fire, flood, or explosion.

(ii) An attack on this state or nation by an enemy of the United States of America, or upon receipt by this state of a warning from the federal government indicating that an enemy attack is probable or imminent.

(iii) An act of terrorism or other manmade disaster that results in extraordinary levels of casualties or damage or disruption severely affecting the infrastructure, environment, economy, government functions, or population, including, but not limited to, mass evacuations.

(iv) A state of emergency proclaimed by the Governor or by the President of the United States.

(b) All of the non-emergency By-Laws provisions consistent with the emergency By-Laws provisions shall remain effective during the emergency, and the emergency By-Laws provisions shall not be effective after the emergency ends.

(c) In anticipation of or during an emergency, the Board may not take any action that requires the vote of the members or is not in the Corporation's ordinary course of business, unless the required vote of the members was obtained prior to the emergency.

(d) Any actions taken in good faith in anticipation of or during an emergency in accordance with law or the emergency By-Laws provisions bind the Corporation and may not

be used to impose liability on a corporate director, officer, employee, or agent. [Corp Code §7140(m), §7151(g)]

SECTION 11.2 QUORUM; MANNER OF ACTING. During an emergency, the number of Directors necessary to constitute a quorum shall be that number of Directors who are present at a Board meeting, together with one or more officers present at such meeting, in order of rank and within the same rank in order of seniority, who are deemed by the Directors present to be Directors for that Board meeting. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum, constituted as provided in the preceding sentence, is present is the act of the Board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting. [Corp Code §7140(m)(2)(B), §7151(g)(1), §7211]

SECTION 11.3 NOTICE OF BOARD MEETING. During an emergency, notice of Board meetings may be given to a Director or Directors in any practicable manner under the circumstances, including, but not limited to, by publication and radio, when notice of a meeting of the Board of Directors cannot be given to that Director or Directors in the manner prescribed by the regular By-Laws or Corp Code Section 7211. [Corp Code §7140(m)(2)(A), §7151(g)(1)]

SECTION 11.4 ADDITIONAL ACTIONS. In anticipation of or during an emergency, the Corporation, through its Board of Directors or a duly authorized officer, may take either or both of the following actions necessary to conduct the Corporation's ordinary business operations and affairs: (a) Modify lines of succession to accommodate the incapacity of any Director, officer, employee, or agent resulting from the emergency. (b) Relocate the principal office, designate alternative principal offices or regional offices, or authorize the officers to do so. [Corp Code §7140(m)(1)]

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