

BYLAWS OF EXECUTIVES ASSOCIATION OF SAN FRANCISCO
A California Nonprofit Mutual Benefit Corporation

1. NAME

The name of this corporation is Executives Association of San Francisco (sometimes referred to as "e(C)orporation" or "Association").

2. OFFICES OF THE CORPORATION

2.1. Principal Office

The board of directors ("board") may change the principal office for the transaction of the activities, affairs, and business of the Corporation ("principal office") from one location to another. Any change of location of the principal office shall be noted by the secretary on these bylaws opposite this Section, or this Section may be amended to state the new location.

2.2. Other Offices

The board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

3. PURPOSES AND LIMITATIONS

3.1. General Purposes

The specific and primary purposes and objects for which this Corporation is formed is to maintain an organization of leading business entities and professions doing business in San Francisco, each represented by one of its executives for the mutual benefit of all, including the following:

- (a) To encourage the exchange of business among Members and information leading to business.
- (b) To publish and distribute documents, as a means of disseminating information about the subjects mentioned above, or related matters.
- (c) To hold meetings and lectures and social events related to its purposes or for enjoyment of Members.
- (d) To act as trustee under any trust incidental to the principal objects of the Corporation, and to receive, hold, administer and expend funds and property subject to such trust.
- (e) To purchase, receive by gift or will, convey, exchange, lease, mortgage, encumber, transfer upon trust, or otherwise dispose of all property, real or personal.
- (f) To make contracts, and to do all other acts necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation.

The subparagraphs of this 3.1., as herein above set forth, shall be construed both as statements of purposes and powers, and the statements contained in each clause of said subparagraphs shall not be limited or restricted by reference to or inference from the provisions of any other clause.

3.2. Specific purposes

Within the context of the general purposes stated above, this Corporation shall: encourage its members to do business with each other and to exchange business leads with each other.

3.3. Limitations

The Corporation shall not engage in any conduct or activity in violation of its status under the California Nonprofit Mutual Benefit Law.

4. MEMBERS

4.1. Corporation with Members

4.1.1. Qualifications and Rights of Membership

4.1.1.1. Classes and Qualifications

This Corporation shall have two classes of members, designated as follows: regular members and honorary members. Any person or entity dedicated to the purposes of this Corporation and qualifying as a business or profession in an open business category, meeting the restrictions and requirements set forth in paragraphs 4.1.1.2. and 4.1.1.5 and approved by the membership committee after due notice to the members of the Corporation shall be eligible for membership as a regular member on approval of the membership application by the board and the payment of such dues and fees as the board may fix from time to time. Each regular membership shall be entitled to an Active and an Associate representative.

4.1.1.2. Regular Membership Requirements

Regular membership shall be limited to business and professional firms, Corporations, partnerships or individuals of good standing, actually engaged in business or profession in the City and County of San Francisco or the 9 Bay Area Counties (San Francisco, Alameda, San Mateo, Contra Costa, Santa Clara, Marin, Solano, Napa and Sonoma()). If a membership is held by a Corporation or partnership, the membership shall belong to the Corporation or partnership and not to any individual representative of the Corporation or partnership. Each regular membership shall be entitled to an Active and Associate representative. The Active member of a Corporation or partnership shall be an owner, officer, manager or executive.

4.1.1.3. Associate Members

Every regular member may appoint an Associate representative whose duty it shall be to attend all meetings of the Corporation not attended by the Active representative. The Associate representative shall be entitled to all privileges afforded to the regular member; however, the Associate member shall be entitled to vote only in the absence of the Active member. If the regular member is a Corporation or partnership, the Qualifications for its Active representative set forth in 4.1.1.2. shall apply to its Associate representative.

4.1.1.4. Memberships Not Transferable

A membership cannot be sold, assigned, conveyed, encumbered or transferred by way of gift, devise or operation of law or otherwise, except as approved by the board in its sole and absolute discretion. The board may by resolution impose transfer fees or other conditions on the transferring party as it deems fit, provided those fees and conditions are the same for similarly situated members. Subject to Section 4.1.4. of these bylaws, all rights of membership cease on the dissolution of a member Corporation or termination of the business.

4.1.1.5. Business Category Restrictions

The board shall determine the classification of business and professional categories eligible for membership in the Corporation. There shall be no more than one membership for each separate business classification. An applicant for membership is eligible for a business classification only if: (i) the applicant derives and maintains gross receipts of sixty percent (60%) or more from business actively conducted in that business classification; and (ii) the applicant's business name, advertising and promotional material are consistent with the business classification and not in conflict with any other classification. The burden shall be on the applicant to prove his or her eligibility for the business classification sought.

4.1.1.5.1. Changes in Business Ownership or Business Category

If a regular member, through merger, consolidation, reorganization, liquidation, sale of substantially all of its assets, change in business operation or otherwise, ceases to derive sixty percent (60%) of its gross revenues through active business operations conducted in the business classification allocated to such member, that member may be suspended by the board. The board may, however, approve such member for a new business classification if such member so qualifies. If, however, over fifty percent (50%) of the gross revenues are derived from a business classification belonging to another regular member, upon an objection made by such regular member and a finding by the board that a conflict exists, the board shall suspend the regular member who failed to maintain eligibility in its business classification.

4.1.1.6. Procedure for Admitting Regular Members

A prospective regular member shall be sponsored by an existing regular member in good

standing. The sponsoring member shall submit the prospective member's name to the board for approval. Once approval has been given, the prospective member shall submit an application provided by the Corporation and pay the required application fee. The board may delegate to the Membership Committee the task of assessing the qualifications of the prospective member. For admission to membership, the application for membership must receive approval by a majority vote.

4.1.1.6.1. Publication and Objection

If the prospective member's application is approved under paragraph 4.1.1.6., the board shall cause to be published in the Corporation's weekly newsletter the applicant's name and category of business. Regular members in good standing shall have thirty (30) days from the date of such publication to object to the prospective member by stating their objection in writing, addressing the objection to the board and transmitting the objection to the Corporation's principal office. If no objection is made, the prospective member's application will be considered approved without further action by the board. If an objection is timely made, the board must approve the prospective member's application by at least Sixty-Six 66.66 percent (66.66%) of those board members present at the meeting in which the prospective member's approval after objection is considered. The decision of the board on approval or disapproval of a prospective member's application is final.

4.1.1.7. Honorary Members

Honorary memberships may be given to individuals or organizations that have rendered valuable or distinguished service to the Corporation. A prospective honorable member must be nominated at a regular meeting of the board and approved by Seventy-Five Percent (75%) of the Board members present at such meeting and by Seventy-Five Percent (75%) of the regular members who are present at any regular meeting of the Corporation in which such approval is sought. Honorary members will not have the right to vote on corporate matters.

4.1.1.8. Voting Members

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

4.1.1.9. Other Persons Associated with the Corporation

The Corporation may refer to honorary members or other persons or entities associated with it as "members" even though such persons or entities are not voting members as set forth in Section 4.1.1.8. of these bylaws, and no such reference shall constitute anyone a member within the meaning of Section 5056 of the California Corporations Code unless that person or entity shall have qualified for such a voting membership under Section 4.1.1.1. of these bylaws. References in these bylaws to members shall mean members as defined in Section 5056 of the California Corporations Code; i.e., the members of the class set forth in Section 4.1.1.1. of these bylaws. By amendment of its articles of incorporation or of these bylaws, the Corporation may grant some or all the rights of a member of any class, as set forth in these bylaws, to any person or entity that does not have the right to vote on any of the matters specified in -Section 4.1.1.8. of these bylaws, but no such person or entity shall be a member within the meaning of Section 5056 of the California Corporations Code.

4.1.2. Dues, Fees, and Assessments

Each regular member must pay, within the time and on the conditions set by the board, the dues, fees, and assessments in amounts to be fixed from time to time by the board. The dues, fees, and assessments shall be equal for all regular members.

4.1.3. Good Standing

Those members who have paid the required dues, fees, and assessments in accordance with these bylaws and who are not suspended shall be members in good standing.

4.1.4. Termination and Suspension of Membership

4.1.4.1. Causes of Termination

A membership shall terminate on occurrence of any of the following events:

- (a) Resignation of a member, on reasonable notice to the Corporation;
- (b) Failure of a member to pay dues, fees, or assessments as set by the board within sixty (60) days after they become due and payable;
- (c) Occurrence of any event that renders a member ineligible for membership, or failure to satisfy membership qualifications;
- (d) Expulsion of the member under Section 4.1.4.3. of these bylaws, based on the good faith determination by the board, or a committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Corporation.

4.1.4.2. Suspension of Membership

A member may be suspended, under Section 4.1.4.3. of these bylaws, based on the good faith determination by the board, or a committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Corporation. A person whose membership is suspended shall not be a member during the period of suspension.

4.1.4.3. Procedure for Expulsion or Suspension

If grounds appear to exist for expulsion or suspension of a member under Sections 4.1.4.1. - 4.1.4.2. of these bylaws, the procedure set forth below shall be followed:

- (a) The member shall be given 15 days' prior notice of the proposed expulsion or suspension and the reasons for the proposed expulsion or suspension. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent by first-class or registered mail to the member's last 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 expulsion. The hearing shall be held, or the written statement considered, by the board or by a committee or person authorized by the board to determine whether the expulsion or suspension should take place.
- (c) The board, committee, or person shall decide whether or not the member should be expelled, suspended, or sanctioned in some other way. The decision of the board, committee, or person shall be final.
- (d) Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension, or termination.

4.1.5. Meetings of Members

4.1.5.1. Place of Meeting

Meetings of the members shall be held at any place within the City of San Francisco or within the nine Bay Area counties from which regular members are engaged in a business or profession. In the absence of any such designation, members' meetings shall be held at the place where the Corporation regularly meets.

4.1.5.2. Annual Meeting

An annual members' meeting shall be held on the last Thursday of September of each year at 1:00 P.M. unless the board fixes another date or time and so notifies members as provided in Section 4.1.5.4.3. of these bylaws. If the scheduled date falls on a legal holiday, the meeting shall be held the first Thursday in October. At this meeting, directors shall be elected and any other proper business may be transacted, subject to Section 4.1.5.4.2. of these bylaws.

4.1.5.3. Special Meetings

4.1.5.3.1. Persons Authorized To Call

A special meeting of the members for any lawful purpose may be called at any time by the board or the chair of the board, if any, or by the president, or five percent (5%) or more of the members.

4.1.5.3.2. Calling Special Meetings

A special meeting called by any person (other than the board) entitled to call a meeting shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the chair of the board, if any, or the president or any vice president or the secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with Sections 4.1.5.4. - 4.1.5.4.4. of these bylaws, stating that a meeting will be held at a specified 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 receipt of the request, 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.

4.1.5.3.3. Proper Business of Special Meeting

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

4.1.5.4. Notice Requirements for Members' Meetings

4.1.5.4.1. General Notice Requirements

Whenever members are required or permitted to take any action at a meeting, written notice of the meeting shall be given, in accordance with Section 4.1.5.4.3. of these bylaws, to each member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting and, (1) for a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) for the annual meeting, those matters that the board, at the time notice is given, intends to present for action by the members, but except as provided in Section 4.1.5.5. of these bylaws, any proper matter may be presented at the meeting. The notice of any meeting at which director's are to be elected shall include the names of all persons who are nominees when notice is given.

4.1.5.4.2. Notice of Certain Agenda Items

Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

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

4.1.5.4.3. Manner of Giving Notice

Notice of any meeting of members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date, except as provided in Paragraph 4.1.5.3.2. The notice shall be given either personally 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 appearing on the books of the Corporation or at the address given by the member to the Corporation for purposes of notice. If no address appears on the Corporation's books and no address has been so given, notice shall be deemed to have been given if either (1) notice is sent to that member by first-class mail, telegraphic or by facsimile transmission or other written communication (collectively "written communication") to the Corporation's principal Office or (2) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

4.1.5.4.4. Affidavit of Mailing Notice

An affidavit of transmitting any notice by written communication of any members' meeting may be executed by the secretary, assistant secretary, or any transfer agent of the Corporation, and if so executed, shall be filed and maintained in the Corporation's minute book.

4.1.5.5. Quorum

4.1.5.5.1. Percentage Required

Fifty percent (50%) of the voting power shall constitute a quorum for the transaction of business at any meeting of members.

4.1.5.5.2. Loss of Quorum

The members present at a duly called or held meeting at which a quorum is present may continue to transact business until 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.

4.1.5.6. Adjournment and Notice of Adjourned Meeting

Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting, either in person or by proxy. 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 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.

4.1.5.7. Voting

4.1.5.7.1. Eligibility to Vote

Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law, members entitled to vote at any meeting of members shall be regular members in good standing as of the record date determined under Sections 4.3.1. - 4.3.2.1. of these bylaws.

4.1.5.7.2. Manner of Casting Votes

Voting may be by voice or ballot, except that any election of directors must be by ballot if demanded by any member at the meeting before the voting begins.

4.1.5.7.3. Voting

Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members.

4.1.5.7.4. Approval by Majority Vote

If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number or voting by classes is required by the California Nonprofit Mutual Benefit Corporation Law or by the articles of incorporation.

4.1.5.8. Waiver of Notice or Consent

4.1.5.8.1. Written Waiver or Consent

The transactions of any members' meeting, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (1) a quorum is present either in person or by proxy, and (2) either before or after the meeting, each member entitled to vote, who is not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of any meeting of members, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section 4.1.5.4.2. the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes.

4.1.5.8.2. Waiver by Attendance

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

4.2. Action Without a Meeting

4.2.1. 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 proceedings of the members. The action by written consent shall have the same force and effect as the unanimous vote of the members.

4.2.2. Action by Written Ballot Without a Meeting

Any action, except election of directors, that may be taken at any meeting of members may be taken without a meeting by complying with Sections 4.2.2.1. - 4.2.2.4. of these bylaws.

4.2.2.1. Solicitation of Written Ballots

The Corporation shall distribute one written ballot to each member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by Section 4.1.5.4.3. of these bylaws. All solicitations of votes by written ballot shall (1) indicate the number of responses needed to meet the quorum requirement, (2) with respect to ballots other than for election of directors, state the percentage of approvals necessary to pass the measure or measures, and (3) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (1) set forth the proposed action, (2) provide the members an opportunity to specify approval or disapproval of each proposal, and (3) provide a reasonable time in which to return the ballot to the Corporation. If the Corporation has 100 or more members, any written ballot distributed to 10 or more members shall provide, subject to reasonable specified conditions, that if the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification.

4.2.2.2. Number of Votes and Approvals Required

Approval by written ballot shall be valid only when: (i) the number of votes cast by ballot (including those ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time 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.

4.2.2.3. Revocation

A written ballot may not be revoked.

4.2.2.4. Filing

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

4.3. Record Date for Notice, Voting, Written Ballots, and Other Actions

4.3.1. Record Date Determined by Board

For purposes of determining the members entitled to notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action, the board may fix, in advance, a record date. The record date so fixed:

- (1) for notice of a meeting shall not be more than 90 or less than 10 days before the date of the meeting;
- (2) for voting at a meeting shall not be more than 60 days before the date of the meeting;
- (3) for voting by written ballot shall not be more than 60 days before the day on which the first written ballot is mailed or solicited; and
- (4) for any other action shall not be more than 60 days before that action.

4.3.2. Record Date Not Determined by Board

4.3.2.1. Record Date for Notice or Voting

If not otherwise fixed by the board, the record date for determining members entitled: (i) to receive notice of a meeting of members shall be the business day next preceding the day on which notice is given or, if notice is waived, the business day next preceding the day on which the meeting is held; and (ii) to vote at the meeting shall be the day on which the meeting is held.

4.3.2.2. Record Date for Action by Written Ballot

If not otherwise fixed by the board, the record date for determining members entitled to vote by written ballot shall be the day on which the first written ballot is mailed or solicited.

4.3.2.3. Record Date for Other Actions

If not otherwise fixed by the board, the record date for determining members entitled to exercise any rights with respect to any other lawful action shall be the date on which the board adopts the resolution relating to that action, or the 60th day before the date of that action, whichever is later.

4.3.3. Members of Record

For purposes of Sections 4.3.1. - 4.3.2.3., a person or entity in good standing and holding a regular membership at the close of business on the record date shall be a member of record.

4.4. Proxies

4.4.1. Right of Members

Each person or entity entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person and filed with the secretary of the Corporation. A proxy shall be deemed signed if the members name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or the members attorney-in-fact.

4.4.2. Form of Solicited Proxies

If the Corporation has 100 or more members, any form of proxy distributed to 10 or more members shall afford an opportunity on the proxy to specify a choice between approval and disapproval of each matter or group of related matters and shall provide, subject to reasonable specified conditions, that when the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of directors, any form of proxy that a member marks "withhold," or marks otherwise in a manner indicating that the authority to vote for the election of directors is withheld, shall not be voted either for or against the election of a director.

4.4.3. Requirement That General Nature of Subject of Proxy Be Stated

Any revocable proxy covering matters for which a vote of the member's is required, including amendments to the articles of incorporation; amendments to the articles or bylaws changing proxy rights; removal of directors without cause; filling vacancies on the board of directors; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all of the corporate assets unless the transaction is in the usual and regular course of the Corporation's activities; the principal terms of a merger or the amendment of a merger agreement; the election to dissolve the Corporation; contracts or transactions between the Corporation and one or more directors or between the Corporation and an entity in which the director has a material financial interest; or a plan of distribution of assets other than money to members when the Corporation is in the process of winding up, when the distribution is not in accordance with liquidation rights of any class or classes, shall not be valid unless the proxy sets forth the general nature of the matter to be voted on.

4.4.4. Revocability

A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect until revoked by the member executing it before the vote is cast under that proxy: (i) by a writing delivered to the Corporation stating that the proxy is revoked; (ii) by a subsequent proxy executed by that member and presented to the meeting; or (iii) as to any meeting, by the members personal attendance and voting at the meeting. In addition, a proxy will be deemed revoked if written notice of the death or incapacity of the maker of the proxy is received by the Corporation before the vote under the proxy is counted. Notwithstanding the preceding two sentences, no proxy shall be valid after the expiration of 11 months from the date of the proxy, unless otherwise provided in the proxy, except that the maximum term of a proxy shall be three years from the date of execution. The revocability of a proxy shall be three years from the date of execution. The revocability of a proxy that states on its face that it is irrevocable shall be governed by Section 7613 of the California Corporations Code.

4.5. Election of Directors

4.5.1. Nominations by Committee

The president shall appoint a committee to ~~select~~ (*nominate*) qualified candidates for election to the board at least 90 days before the date of any election of directors. This nominating committee shall make its report at least 45 days before the date of the election, and the secretary shall forward to each member, with the notice of meeting required by Sections 4.1.5.4.1. - 4.1.5.4.4. of these bylaws, a list of all candidates nominated by committee under this Section 4.5.1. The nominating committee shall include on the ballot any member in good standing that presents to the nominating committee a petition requesting that the name of a member in good standing be placed on the ballot, which petition must be signed by at least 25% of the membership in good standing and be presented to the nominating committee at least 50 days prior to the date of the election. The nominating committee chair shall contact each proposed nominee to determine said person's willingness to serve if elected.

4.5.2. Solicitation of Votes

The board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications and reasons for the nominee's candidacy, a reasonable opportunity for all nominees to solicit votes, and a reasonable opportunity for all members to choose among the nominees.

4.5.3. Use of Corporate Funds To Support Nominee

No corporate funds may be expended to support a nominee for director.

5. DIRECTORS

5.1. Powers

5.1.1. General Corporate 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 in the articles of incorporation and bylaws regarding actions that require the approval of the members, the Corporation's activities and affairs shall be managed, and all corporate power shall be exercised, by or under the board's direction.

5.1.2. Specific Powers

Without prejudice to the general powers set forth in Section 5.1.1. of these bylaws, but subject to the same limitations, the directors shall have the power to:

(a) Appoint and remove at the pleasure of the board all the Corporation's officer's, agents, and employees; prescribe powers and duties for them that are consistent with the law, with the articles of incorporation, and with these bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(b) Change the principal office or the principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities within or outside California; and designate any place within or outside California for holding any meeting of members.

(e) Adopt and use a corporate seal; prescribe the forms of membership certificates consistent with the provisions of Section 7313 of the California Corporations Code; and alter the forms of the seal and certificates.

(d) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

5.2. Number and Qualification of Directors

The board of directors shall consist of a minimum of nine (9) and a maximum of twelve (12) members until changed by amendment to these bylaws. All Directors shall be either the active or associate representative of regular Members in good standing. In addition to the nine (9) elected directors, officers of the Association who are not otherwise members of the Board, shall be of the Board during their term in office.

5.3. Election, Designation, and Term of Office

Directors shall be elected to fill vacancies on the Board and to replace members whose terms are expiring or have expired at each annual meeting of members to hold office for two (2) years; however, if any such directors are not elected at any annual meeting, they may be elected at any special members' meeting held for that purpose or by written ballot. Each such director, including a director elected to fill a vacancy or elected at a special members' meeting or by written ballot, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified. A director is not eligible for re-election to the board for at least two (2) year's after the expiration of his or her present term. The preceding sentence shall not apply to an officer of the Corporation who became a board member through holding such office. The immediate past president of the Corporation shall become an ex officio non-voting member of the board for one year.

5.4. Vacancies and Board

5.4.1. Events Causing Vacancy

A vacancy or vacancies on the board shall exist on the occurrence of the following: (a) the death or resignation of any director, (b) the declaration by resolution of the board of a vacancy in the office of a director who has been declared of unsound mind by an order of court or convicted of a felony, or, it (*if*) the Corporation holds assets in charitable trust, has been found by a final order or judgment of any court to have breached a duty arising under Section 7238 of the California Corporations Code; (c) the vote of the members or, if the Corporation has fewer than 50 members, the vote of a majority of all members, to remove any director(s).

5.4.2. Resignations

Except as provided below, any director may resign *be* (*by*) giving written notice to the chair of the board, if any, or to the president or the secretary of the board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the board may elect a successor to take office when the resignation becomes effective.

5.4.3. Filling Vacancies

Except for vacancies created by removal of a director by the members, vacancies on the board may be filled by a majority of the directors then in office, whether or not less than a quorum, or by sole remaining director. The members may fill any vacancy or vacancies not filled by the directors.

5.4.4. No Vacancy on Reduction of Number of Directors

No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

5.5. Directors' Meetings

5.5.1. Place of Meeting

Meetings of the board shall be held at least once a month at any place within the City of San Francisco that has been designated by resolution of the board or in the notice of the meeting or, if not so designated, at the principal office of the Corporation.

5.5.2. Meetings by Telephone

Any meeting may be held by conference telephone or similar communication equipment, as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person at such a meeting.

5.5.3. Annual Meeting

Immediately after each annual meeting of members, the board shall hold a regular meeting for purposes of organization, election of officers, and the transaction of other business. Notice of this meeting is not required.

5.5.4. Other Regular Meetings

Other regular meetings of the board may be held without notice at such time and place as the board may fix from time to time.

5.5.5. Special Meetings

5.5.5. 1. Authority To Call

Special meetings of the board for any purpose may be called at any time by the chair of the board, if any, the president or any vice president, or the secretary or any two directors.

5.5.5.2. Notice

5.5.5.2.1. Manner of Giving Notice

Notice of the time and place of special meetings shall be given to each director by one of the following methods: (a) by personal delivery of written notice; (b) by first-class mail, postage prepaid; (c) by telephone, either directly to the director or to a person at the directors office who would reasonably be expected to communicate that notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the directors address or telephone number as shown on the records of the Corporation.

5.5.5.2.2. Time Requirements

Notices sent by first-class mail shall be deposited in the United States mail at least four days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least 48 hours before the time set for the meeting.

5.5.5.2.3. Notice Contents

The notice shall state the time of the meeting, and the place if the place is other than the principal office the Corporation. It need not specify the purpose of the meeting.

5.5.6. Quorum

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

5.5.7. Waiver of Notice

Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

5.5.8. Adjournment

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

5.5.9. Notice of Adjourned Meeting

Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

5.6. Action Without a Meeting

Any action that the board is required or permitted to take may be taken without a meeting if all members of the board consent in writing to that action. Such action by written consent shall have the same force and effect as any other validly approved action of the board. All such consents shall be filed with the minutes of the proceedings of the board.

5.7. Compensation and Reimbursement

Directors will not receive compensation for their services. Directors may receive reimbursement of expenses, as may be determined by board resolution to be just and reasonable as to the Corporation at the time the resolution is adopted.

5.8. Committees

5.8.1. Committee of the Board

The board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees, each consisting of two or more directors and no persons who are not directors, to serve at the pleasure of the board. Appointments to committees of the board shall be by majority vote of the authorized number of directors. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the board resolution, shall have all the authority of the board except that no committee, regardless of board resolution, may:

- (a) Take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;
- (b) Fill vacancies on the board or on any committee that has the authority of the board;
- (c) Fix compensation of the directors for serving on the board or on any committee;
- (d) Amend or repeal bylaws or adopt new bylaws;
- (e) Amend or repeal any board resolution that by its express terms is not so amendable or repealable;
- (f) Create any other committees of the board or appoint the members of committees of the board;
- (g) Expend corporate funds to support a nominee for director after more people have been nominated for director than can be elected; or
- (h) With respect to any assets held in charitable trust, approve any contract or transaction between the Corporation and one or more of its directors or between the Corporation and an entity in which one or more of its directors have a material financial interest, subject to the special approval provisions of Section 5233(d)(3) of the California Corporations Code.

5.8.2. Meetings and Action of Committees

Meetings and actions of committees of the board shall be governed by, held, and taken in accordance with, the provisions of these bylaws concerning meetings and other board actions except

that the time for regular meetings of such committees and calling of special meetings of such committees may be determined either by board resolution, or if there is none, by resolution of the committee. Minutes of each meeting of any committee of the board shall be kept and shall be filed with the corporate records. The board may adopt rules for the government of any committee that are consistent with these bylaws or, in the absence of rules adopted by the board, the committee may adopt such rules.

5.8.3. Particular Board and Advisory Committees

The bylaws may establish particular committees, e.g., an executive committee, audit committee, nominating committee, compensation committee, and finance committee. The board cannot, however, delegate the powers listed in Corp C Ch. 7212(a)(1)-(8) (see paragraph 5.8.1.) to any committee.

If any committee is to have any non-director committee members, it is not a committee of the board, and it should be clearly labeled an "advisory committee." Unless the bylaws provide otherwise, the board may delegate management of the Corporation's activities to an advisory committee (Corp C Chs. 7210, 7212) to the same extent that those powers could be delegated to anyone under Corp C Ch. 7210. If the committee does not exercise the authority of the board, Paragraphs 5.8.1. - 5.8.2. need not apply to it.

6. OFFICERS

6.1. Officers of the Corporation

The officers of the Corporation shall be a president, a secretary, and a chief financial officer. The Corporation may also have, at the board's discretion, a chair of the board, one or more vice presidents, one or more assistant secretaries, one or more assistant CFO'S, and such other officers as may be appointed in accordance with Section 6.3. of these bylaws. Any number of offices may be held by the same person.

6.2. Election of Officers

The officers of the Corporation, except those appointed under Section 6.3. of these bylaws, shall be chosen annually by the board and shall serve at the pleasure of the board. The outgoing board shall elect the president at the last directors' meeting in the Corporation's fiscal year who shall then serve a one-year term contemporaneously with the newly elected board. The newly elected board shall elect the remaining corporate officers (*or may delegate said power to the newly elected president*).

6.3. Other Officers

The board may appoint and may authorize the chair of the board, the president, or other officer to appoint any other officers that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the bylaws or determined by the board.

6.4. Removal of Officers

Without prejudice to any rights of an officer under any contract of employment, an officer may be removed with or without cause by a majority vote of the board at a duly held meeting called for such purpose and for no other purpose.

6.5. Resignation of Officers

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

6.6. Vacancies in Office

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

6.7. Responsibilities of Officers

6.7.1. President

The president shall be the general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and officer's. The president shall preside at all members' meetings and at all board meetings. The president shall have such other powers and duties as the board or bylaws may prescribe. The President shall hire third parties under paragraph 12.3. only after the President has determined that the hiring of such person is in compliance with these by-laws.

6.7.2. Vice Presidents

In the absence or disability of the president, the vice presidents, if any, in order of their rank as fixed by the board or, if not ranked, a vice president designated by the board shall perform all duties of the president. When so acting, a vice president shall have all the powers of and be subject to all restrictions on the president. The vice presidents shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

6.7.3. Secretary

6.7.3.1. Book of Minutes

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

6.7.3.2. Membership Records

The secretary shall keep or cause to be kept, at the Corporation's principal office or at a place determined by board resolution, a record of the Corporation's members, showing each member's name, address, and class of membership.

6.7.3.3. Notices, Seal, and Other Duties

The secretary shall give, or cause to be given, notice of all meetings of members, of the board, and of committees of the board required by these bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

6.7.4. Chief Financial Officer

6.7.4.1. Books of Account

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The chief financial officer shall send or cause to be given to the members and directors such financial statements and reports as are required by law, by these bylaws, or by the board to be given. The books of account shall be open to inspection by any director at all reasonable times.

6.7.4.2. Deposit and Disbursement of Money and Valuables

The chief financial officer shall deposit, or cause to be deposited, all money and other valuables

in the name and to the credit of the Corporation with such depositories as the board may designate, shall disburse the Corporation's funds as the board may order, shall render to the president, chair of the board, if any, and the board, when requested, an account of all transactions as chief financial officer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

6.7.4.3. Bond

If required by the board, the chief financial officer shall give the Corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the office and for restoration to the Corporation of all its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the chief financial officer on his or her death, resignation, retirement, or removal from office.

7. INDEMNIFICATION

7.1. Right of Indemnity

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

7.2. Approval of Indemnity

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

7.3. Advancement of Expenses

To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under Sections 7.1. - 7.2. of these bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

8. INSURANCE

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

9. RECORDS AND REPORTS

9.1. Maintenance of Corporate Records

The Corporation shall keep:

(1) Adequate and correct books and records of account; (2) Written minutes of the proceedings of its members, board, and committees of the board; and (3) A record of each member's name address, and class of membership.

9.2. Member's Inspection Rights

9.2.1. Membership Record

Subject to Division 2, Part 3, Chapter 13, Article 3 (commencing at Section 8330) of the California Corporations Code and unless the Corporation provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the members interest as a member:

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

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

The Corporation may, within ten (10) business days after receiving a demand under this Section 9.2.1., make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons that the proposed alternative does not meet the proper purpose of the demand.

If the Corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this Section 9.2. 1., it may deny the member access to the membership list.

Any inspection and copying under this Section 9.2.1. may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts. Any right of inspection extends to the records of any subsidiary of the Corporation.

9.2.2. Accounting Records and Minutes

On written demand on the Corporation, any member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the members, the board, and committees of the board at any reasonable time for a purpose reasonably related to the members interest as a member. Any such inspection and copying may be made in person or by the member's agent or attorney. Any right of inspection extends to the records of any subsidiary of the Corporation.

9.3. Maintenance and Inspection of Articles and Bylaws

The Corporation shall keep at its principal office, or if its principal office is not in California, at its principal business office in this state, the original or a copy of the articles of incorporation and bylaws, as amended to date, which shall be open to inspection by the members at all reasonable times during office hours. If the principal office of the Corporation is outside California and the Corporation has no principal business office in this state, the secretary shall, on the written request of any member, furnish to that member a copy of the articles of incorporation and bylaws as amended to date.

9.4. Inspection by Directors

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

9.5. Annual Report

9.5.1. Report's Contents

An annual report shall be prepared within 120 days after the end of the Corporation's fiscal year. That report shall contain the following information in appropriate detail:

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

(b) A statement of the place where the names and addresses of current members are located.

(c) Any information that is required by Section 9.6.

9.5.2. Financial Report

The Corporation shall notify each member annually of the member's right to receive a financial report under this Section 9.5.2. Except as provided in subsection 9.5.3. of this bylaw, on written request by a member, the board shall promptly cause the most recent annual report to be sent to the requesting member.

9.5.3. Exceptions to Report

Sections 9.5.1. and 9.5.2. shall not apply if the Corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year.

9.6. Annual Statements of Certain Transactions and Indemnifications

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

(1) Unless approved by members under Section 7233(a) of the California Corporations Code, any transaction (a) to which the Corporation, its parent, or its subsidiary was a party, (b) which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (e) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material interest):

(a) Any director or officer of the Corporation, its parent, or its subsidiary;

(b) Any holder of more than 10 percent of the voting power of the Corporation, its parent, or its subsidiary.

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction, and when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

(2) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the Corporation under Section 7.1. - 7.2. of these bylaws, unless the loan, guaranty, indemnification, or advance has already been approved by the members under Section 5034 of the California Corporations Code, or the loan or guaranty is not subject to the provisions of subdivision (a) of Section 7235(a) of that Code.

10. CONSTRUCTION AND DEFINITIONS

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 bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural and the plural includes the singular, and the term "person" includes both a legal entity and a natural person. The term "entity" includes Corporations, partnerships, associations, trusts, estates, and public or governmental or quasi-governmental agencies and instrumentalities. The terms "chief financial officer" or "CFO" and "Treasurer" may be used interchangeably. The terms "executive director" and "manager" may be used interchangeably. The manager may be either an individual or an entity. *(The term "Associate" and "Alternate" representative may be used interchangeably.)*

11. AMENDMENTS

11.1. Amendment by Members or Board

New bylaws may be adopted or these bylaws may be amended or repealed by approval of 75% of the members in attendance at a meeting duly called for that purpose or 66.66% of the directors in attendance at a meeting duly called for that purpose, provided, however, that any such adoption, amendment, or repeal also requires approval by 75% of the members of a class in attendance at a meeting duly called for that purpose if that action would:

- (1) Materially and adversely affect the rights, privileges, preferences, restrictions, or conditions of that class as to voting, dissolution, redemption, or transfer in a manner different than the action affects another class;
- (2) Materially and adversely affect that class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class;
- (3) Increase or decrease the number of memberships authorized for that class;
- (4) Increase the number of memberships authorized for another class;
- (5) Effect an exchange, reclassification, or cancellation of all or part of the memberships of that class; or
- (6) Authorize a new class of memberships.

11.2. Changes to Number of Directors

Once members have been admitted to the Corporation, the board may not, without the approval of the members, specify or change any bylaw provision that would:

- (a) Fix or change the authorized number of directors;
- (b) Fix or change the minimum or maximum number of directors; or
- (e) Change from a fixed number of directors to a variable number of directors or vice versa.

11.3. High Vote Requirement

If any provision of these bylaws requires the vote of a larger proportion of the board than otherwise required by law, such provision may not be altered, amended, or repealed except by that greater vote.

11.4. Members' Approval Required

Without the approval of the members, the board may not adopt, amend, or repeal any bylaw that would:

- (a) Increase or extend the terms of directors;
- (b) Allow any director to hold office by designation or selection rather than by election by a member or members;
- (e) Increase the quorum for members' meetings; (d) Repeal, restrict, create, expand, or otherwise change proxy rights; or
- (e) Authorize cumulative voting.

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

12. MISCELLANEOUS

12.1. Contracting with Third Parties

The Association, through its President, may contract for goods or services. Any party furnishing such goods or services (including any manager hired under paragraph 12.3.) prior to furnishing such goods or services, shall: (a) provide to the Association sufficient evidence of workers compensation insurance coverage for all persons employed or utilized by such party, as well as sufficient liability coverage; (b) sign a contract for such employment in a form approved by the Board, stating that such person is an independent contractor; and (c) that such person is in

compliance and will remain in compliance with these by-laws and will maintain the insurance required under (a) of this paragraph 12.1. The form of the contract described in (b) of this paragraph 12.1 may be changed from time to time by a majority of the Board at a meeting held for that purpose.

12.2. Adoption of Rules

The Board may, in its discretion, from time to time, adopt Rules for the Association and its members, which Rules shall be attached to these By-Laws and shall be considered part of the By-Laws.

12.3. Manager

The President, with the advice and consent of a majority of the Board at a meeting called for that purpose, may hire a manager to run the day-to-day operations of the Association. The maximum length of employment shall be 24 months and the contract shall permit termination by the President upon 30 days' notice. The President, with the advice and consent of the Board, may terminate the manager. Any agreement with a manager shall be in writing and shall specify the duties, rate of compensation and term of the agreement, and such contract must be approved by a majority of the directors at a meeting called for that purpose. The manager shall be under the direct control of the President and shall report directly to the President. The manager is not an officer or director of the Corporation, unless he or she is elected to such post independently of his or her position as manager. The manager shall record all Board meetings at the discretion of the Board.

12.4. Committees

The Board shall have the discretion to create committees to carry out the business of the Association and may appoint one or more Members in good standing to each such committee. Members in good standing are encouraged to participate in such committees.

13. CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Executives Association of San Francisco, a California nonprofit mutual benefit Corporation, that the above bylaws, consisting of 35 pages, are the bylaws of this Corporation as adopted by the board of directors on April 8, 1993, and that they have not been amended or modified since that date.

Executed on April 29, 1993 at San Francisco, California.

_____(Signed by Christina Harbridge)_____

Secretary

14. ASSOCIATION RULES

1. Membership Privileges Not Transferable. Membership privileges, including lunches and other functions, of the Association are not assignable or transferable to a non-member. Exceptions to this rule may be considered by the Board on a case-by-case basis, provided the proposed transferee has a bona fide business or personal relationship to the Member.

2. Resolution of Business Conflicts Between Members. Members shall actively promote only those goods and services within a Members category. There shall not be a business conflict, however, if a Member requests goods or services from another member which is outside that Members category. Members should be cautious about providing goods or services that conflict with another Members category and should first refer such goods and services to the Active Member who holds the appropriate category in the Association. In case of goods or services that are not clearly within a Members category, the Board shall appoint a committee to determine which Member shall be permitted to actively promote such goods or services.

3. No Referral Fees or Commissions. The purpose of the Association is to engage in mutual referrals and exchanges of business opportunities. Therefore, it is improper for any Member to offer or pay another Member referral fees or commissions for providing business leads to a Member. The Board notes that in many professions, payment of a

referral fee or a commission is unethical, improper or illegal. Nothing in this paragraph shall prevent the giving of a discount to a Member or his or her family, the giving of a modest gift in appreciation for a referral or business, the payment of a fee when two or more Members are working in a collective business venture or the payment of a fee if a Member provides goods and services in connection with, or in addition to, a business lead.

^{ts}

4. Active Members. Whenever possible, an Active Member should be an owner or a senior officer of the company he or she represents. In considering a company for membership, the Board shall take into account the decision-making power of the proposed Active Member and his or her ability to direct his or her company to utilize the goods or services of the Association's Members.

5. Leave of Absence. A leave of absence may be granted to an Active Member in the sole and absolute discretion of the Board. During such absence, the Active Member shall be excused from attending regular meetings and his or her dues will be 100% of the regular dues (excluding the monthly charge for meals). In all other respects, the Active Member shall comply with the By-Laws and Rules of the Association. A leave of absence cannot be granted for more than six (6) months at a time, unless there are severe extenuating circumstances involved.