

**BYLAWS**  
**OF**  
**CALIFORNIA ASSOCIATION OF WORKPLACE**  
**INVESTIGATORS, INC.**

**A California Nonprofit Mutual Benefit Corporation**

**Adopted September 25, 2009**

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**OF**  
**CALIFORNIA ASSOCIATION OF WORKPLACE INVESTIGATORS,**  
**INC.**

A California Nonprofit Mutual Benefit Corporation

ARTICLE 1     NAME, OFFICE AND PURPOSES

1.1.   Name. The name of this Corporation (the “Corporation”) is CALIFORNIA ASSOCIATION OF WORKPLACE INVESTIGATORS, INC.

1.2.   Offices of the Corporation.

A.     Principal Office. The Principal Office for the transaction of the activities, affairs, and business of the Corporation (the “Principal Office”) is located at 770 L Street, Suite 950, Sacramento, California 95814. The Board of Directors (the “Board”) may change the 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.

B.     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.

1.3.   Purposes and Limitations.

A.     General Purpose. This Corporation is a Nonprofit Mutual Benefit Corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this Corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law.

B.     Specific Purpose. The specific purpose of this Corporation is to promote and enhance workplace investigations in California.

C.     Limitations.

(1)    Notwithstanding any of the above statements of purposes and powers, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this Corporation.

(2)    Neither this Corporation nor its Members shall discuss, engage in, facilitate or condone activities that restrain competition or otherwise violate state or federal law.

## ARTICLE 2      NONPROFIT LIMITATIONS

2.1.    Exempt Activities. It is intended that this Corporation shall have the status of a corporation which is exempt from federal income taxation under Section 501(a) of the Internal Revenue Code of 1986, as amended (the “Internal Revenue Code”) as an organization described in Internal Revenue Code Section 501(c)(6), and which is exempt from California income taxation under Section 23701e of the California Revenue and Taxation Code. These Bylaws shall be construed accordingly, and all powers and activities of the Corporation shall be limited accordingly. Solely for the purposes and within the limitations described in Section 1.3 above, the Corporation is empowered to exercise all rights and powers conferred by the laws of the State of California upon nonprofit corporations.

2.2.    No Activities Not in Furtherance of Exempt Purposes. The Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purpose of this Corporation described in Section 1.3 above.

2.3.    No Private Inurement. No part of the net earnings, properties, or assets of the Corporation, upon dissolution or otherwise, shall inure to the benefit of any Director, Officer or Member of this Corporation or to any private person or individual.

2.4.    Distribution of Assets on Liquidation. Upon the dissolution and winding up of the Corporation, the assets of the Corporation remaining after payment, or provision for payment, of all debts and liabilities of the Corporation, shall be distributed exclusively for charitable purposes to one or more organizations which have established their tax exempt status under Internal Revenue Code Section 501(c)(3). Any of such assets not so distributed shall be distributed by the Superior Court in the county in which the Corporation’s Principal Office is then located, exclusively for charitable purposes to such organization or organizations as are then described in Internal Revenue Code Section 501(c)(3) as said Court shall determine.

## ARTICLE 3      MEMBERS

### 3.1.    Classes and Qualifications.

A.      Classes. The Corporation shall have two classes of members, designated as Regular Members and Associate Members (the “Members”).

B.      Regular Members. Any natural person of sound mind who is dedicated to the specific purpose of the Corporation shall be eligible to join the Corporation as a Regular Member upon approval of the membership application by the Board or its designee and upon timely payment of dues, fees, and assessments in accordance with Section 3.3 below if the person is:

- (1)      an active member of the State Bar of California; or

(2) a Private Investigator licensed by the Bureau of Security and Investigative Services of the California Department of Consumer Affairs; or

(3) employed exclusively and regularly by a specified employer and performs investigations as defined in Section 7521 of the California Business and Professions Code in, and only in, the course and scope of that employment, and is exempted from licensure as a Private Investigator by Section 7522(a) of the California Business and Professions Code.

C. Associate Members. Any natural person of sound mind who is dedicated to the specific purpose of the Corporation who is not qualified to become a Regular Member shall be eligible to join the Corporation as an Associate Member upon approval of the membership application by the Board or its designee and upon timely payment of dues, fees, and assessments in accordance with Section 3.3 below.

D. Other Classes and Qualifications. The Board may establish, from time to time, such other qualifications for eligibility to join the Corporation as a Member, and such other classes of Members, as it determines is in the best interests of the Corporation.

3.2. Rights of Members. Members shall be statutory members within the meaning of Section 5056 of the California Nonprofit Corporation Law. Each Member shall have the right to vote, as set forth in these Bylaws, on the election, removal and replacement 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, each Member shall have all other rights afforded members under the California Nonprofit Mutual Benefit Corporation Law.

3.3. Dues, Fees and Assessments. The Board shall, from time to time, fix the amount of dues, fees and assessments to be paid by Members. The Board may, in its discretion, set different dues, fees and assessments for different classes of Members, but the dues, fees and assessments shall be equal for all Members of each class. Each Member must pay, within the time and on the conditions set by the Board, the dues, fees and assessments set by the Board pursuant to this Section and subject to the approval of the Board, a Member may pay all or part of its dues, fees and assessments with property other than cash, including the provision to the Corporation of such Member's services at a discount.

3.4. Good Standing. Members who have paid the required dues, fees, and assessments in accordance with these Bylaws and whose membership has not been terminated in accordance with the provisions of Section 3.5 hereof shall be Members in good standing.

3.5. Termination of Membership.

A. Causes of Termination. A Member's status as such shall terminate on the occurrence of any of the following events:

(1) Death or dissolution of the Member;

- (2) Declaration by court order that the Member is of unsound mind;
- (3) Conviction of the Member of a felony;
- (4) Resignation of the Member, upon written notice to the Corporation;
- (5) Failure of the Member to pay dues, fees, or assessments as set by the Board within sixty (60) days after they are due and payable;
- (6) Occurrence of any event that renders the Member ineligible for the applicable class of membership in accordance with the provisions of Section 3.1 hereof, or the failure to satisfy the qualifications for such; or
- (7) Expulsion of the Member, 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 materially failed to comply with the Bylaws or policies of the Corporation, or has engaged in conduct materially prejudicial to the purposes or interests of the Corporation.

B. Procedure for Expulsion. If grounds appear to exist for expulsion of a Member under Section 3.5.A.5 of these Bylaws, the procedure set forth below shall be followed:

- (1) Written notice of the proposed expulsion, the proposed effective date, and the reasons therefore, shall be sent to the Member at least twenty (20) days before the proposed effective date of the expulsion.
- (2) The Member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the proposed effective date of the expulsion. Written notice of the opportunity to be heard shall be sent to the Member at least fifteen (15) days before the opportunity to be heard. 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 should take place.
- (3) The Board, committee, or person shall decide whether or not the Member shall be expelled. The deciding body may impose some lesser punishment, including suspension or some other sanction. The deciding body shall send the Member written notice of the decision at least five (5) days before the effective date of the expulsion or other sanction. The decision of the Board, committee, or person shall be final.
- (4) Notice of proposed expulsion, of the opportunity to be heard before expulsion, and of the decision regarding expulsion or other sanction shall be sent by first-class mail and shall be addressed to the Member at the address of that Member as it appears on the books of the Corporation. If no address appears on the Corporation's books notice shall be deemed to have been given if notice is sent to that Member by first-class mail or facsimile to the Corporation's Principal Office.

(5) Any action challenging an expulsion or some other sanction, including a claim alleging defective notice, must be commenced within one (1) year after the effective date of the expulsion or other sanction.

3.6. Transfer of Memberships. No membership or right arising from membership shall be transferred.

3.7. Meetings of Members.

A. Place of Meeting. Meetings of the Members shall be held at any place within or outside California designated by the Board. In the absence of any such designation, meetings of the Members shall be held at the Principal Office. Each Member shall be entitled to be represented by proxy at all meetings of the Members. The Board may authorize Members who are not present in person to participate in meetings of the Members by electronic transmission by and to the Corporation or electronic video communication (“electronically”) in accordance with these Bylaws.

B. Authority for Electronic Meetings. If authorized by the Board in its sole discretion, and subject to the requirements of consent in Corporations Code §20(b) and any procedures the Board may adopt, Members not physically present in person or by proxy at a meeting of the Members may participate electronically in a meeting of the Members, be deemed present in person or by proxy, and vote at a meeting of the Members whether that meeting is to be held at a designated place or in whole or in part electronically, subject to the requirements of these Bylaws.

C. Requirements for Electronic Meetings. A meeting of the Members may be conducted in whole or in part electronically (1) if the Corporation implements reasonable measures to provide Members participating electronically in person or by proxy a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Members, including an opportunity to vote by ballot if applicable, and including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings, and (2) if any Member participating electronically in person or by proxy votes or takes other action at the meeting electronically, a record of that vote or action is maintained by the Corporation. Any request by the Corporation to a Member pursuant to Corporations Code §20(b) for consent to conduct a meeting of the Members electronically shall include a notice that absent consent of the Member pursuant to Corporations Code §20(b), the meeting shall be held at a physical location in accordance with Section 3.7.A of these Bylaws.

D. Annual Meeting of the Members. A general meeting of the Members shall be held at least annually at such time as the Board may determine. Unless elected by written ballot, directors shall be elected at this meeting. Any other proper business may be transacted at this meeting.

E. Special Meetings of the Members.

(1) Persons Authorized To Call. The Board or the President or 5 percent or more of the Members may call a special meeting of the Members for any lawful purpose at any time.

(2) Special Meeting Called by Other Than the Board. A special meeting called by any person entitled to call a special meeting of the Members other than the Board shall be called by written request, specifying the general nature of the business proposed to be transacted, and addressed to the attention of and submitted to the President or any Vice President or the Secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, under Section 3.7.F of these Bylaws, stating that a meeting will be held at a specified time and date fixed by the Board. However, the meeting date shall be at least 35 but no more than 90 days after receipt by the officer 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 the Members may be held when the meeting is called by the Board.

(3) Proper Business of Special Meetings. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at special meetings of the Members.

F. Notice Requirements for Meetings of the Members.

(1) General Notice Requirements. Whenever Members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given, under Section 3.7.F of these bylaws, to each Member entitled to vote at that meeting. The notice shall be sent at least 10 but no more than 90 days before the meeting date. The notice shall specify the place, date, and hour of the meeting, and the means, if any, by which Members may electronically participate in the meeting. 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.

(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 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) Electing to wind up and dissolve the Corporation;

(e) Approving a contract or transaction between the Corporation and one or more Directors, or between the Corporation and any entity in which a Director has a material financial interest; or

(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 of Incorporation or Bylaws, when the Corporation is in the process of winding up.

(3) Manner of Giving Notice.

(a) Mail or Electronic Transmission. The notice shall be sent by first-class mail or by electronic transmission.

(b) Address. The notice shall be addressed to each Member entitled to vote at the meeting, at the mailing or electronic address of that Member as it appears on the books of the Corporation. If no such address appears on the Corporation's books notice shall be deemed to have been given if notice is sent to that Member by first-class mail or facsimile to the Corporation's Principal Office.

(c) Returned Mail. If any notice addressed to the Member at the mailing address of the Member appearing on the books of the Corporation is returned to the Corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the Member at the address, all future notices shall be deemed to have been duly given without further mailing if the same shall be available for the Member upon written demand of the Member at the Principal Office of the Corporation for a period of one year from the date of the giving of the notice to all other Members.

(d) Electronic Notice Requirements. Notice given by electronic transmission by the Corporation shall be valid only if:

- i. delivered by (a) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Corporation; (b) posting on an electronic message board or network that the Corporation has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered on the later of the posting or transmission of the separate notice of it; or (c) other means of electronic communication;
- ii. to a recipient who has provided an unrevoked consent to the use of those means of transmission for communications that satisfies the requirements applicable to consumer consent to

electronic record as set forth in the Electronic Signatures in Global and National Commerce Act (15 United States Code §7001(c)(1)); and

- iii. that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

(e) Conditions Precluding Electronic Notice. Notwithstanding the foregoing, notice shall not be given by electronic transmission by the Corporation after either of the following:

- i. the corporation is unable to deliver two consecutive notices to the Member by that means; or
- ii. the inability so to deliver the notices to the Member by that means becomes known to the Secretary, any Assistant Secretary, or any other person responsible for the giving of the notice.

(4) Declaration of Mailing or Electronic Transmission. A declaration under penalty of perjury of the mailing or electronic transmission of any notice of any meeting of the Members 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.

G. Quorum. One-third of the voting power, in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the Members. Except as otherwise required by law, the Articles of Incorporation, or these Bylaws, the Members present at a duly called or held meeting of the Members 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.

#### H. Voting.

(1) Eligibility To Vote. Subject to the California Nonprofit Mutual Benefit Corporation Law, Regular Members and Associate Members in good standing as determined under Section 3.4 of these Bylaws on the record date as determined under Section 3.9 of these Bylaws shall be entitled to vote at any meeting of the Members.

(2) Manner of Voting. Voting may be by voice or by ballot, except that any election of Directors must be by ballot if demanded before the voting begins by any Member at the meeting.

(3) Voting. Each Member entitled to vote shall be entitled to cast one vote in person or by proxy on each matter submitted to a vote of the Members. Cumulative voting is not authorized.

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

(5) Written Waiver or Consent. The transactions of any meeting of the Members, 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 (a) a quorum is present either in person or by proxy, and (b) 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 the Members, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section 3.7.F(2) of these Bylaws, the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(6) 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. However, attendance at a meeting without such an objection 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.

### 3.8. Actions Without Meetings.

A. 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. The action by written consent shall have the same force and effect as the unanimous vote of the Members.

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

(1) Solicitation of Ballots. The Corporation shall send one written ballot to each Member entitled to vote on the matter. All solicitations of votes by written ballot shall (a) state the number of responses needed to meet the quorum requirement; (b) state, with respect to ballots other than for election of Directors, the percentage of approvals necessary to

pass the measure or measures; and (c) specify the time by which the ballot must be received in order to be counted. Ballots shall be sent in the manner specified in Section 3.7.F(3) of these Bylaws for notice of meetings of the Members.

(2) Declaration of Mailing. A declaration under penalty of perjury of the mailing or electronic transmission of any written ballot 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.

(3) Ballots. Each ballot so distributed shall (a) set forth the proposed action or actions; (b) give the Member an opportunity to specify a choice between approval or disapproval of each proposal or group of related proposals; (c) provide, subject to reasonable specified conditions, that where the Member specifies a choice with respect to any such matter the vote shall be cast in accordance therewith; and (d) provide a reasonable time in which to return the ballot to the Corporation. In any election of Directors by written ballot without a meeting, 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.

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

(5) Written Ballots As Irrevocable. A written ballot may not be revoked.

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

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

A. Record Date Determined by Board. For purposes of determining the Members entitled to notice of any meeting, to vote at any meeting, to vote by written ballot, or to exercise any rights with respect to any lawful action, the Board may fix, in advance, a record date. The record date so fixed for:

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

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

(3) Voting by written ballot shall be no more than sixty (60) days before the day on which the first written ballot is mailed or solicited; and

(4) Taking any other action shall be no more than sixty (60) days before that action.

B. Record Date Not Determined by Board.

(1) Record Date for Notice or Voting. If not otherwise fixed by the Board, the record date for determining Members entitled: (a) to receive notice of a meeting 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 (b) to vote at the meeting shall be the day on which the meeting is held.

(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.

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

C. Members of Record. For purposes of Article III of these Bylaws, a person holding a membership in the Corporation at the close of business on the record date shall be a Member of record.

3.10. Proxies.

A. Right of Members. Each Member entitled to vote at a meeting of the Members shall have the right to do so either in person or through its agents authorized by a written proxy, signed by the Member and filed with the Secretary of the Corporation. A proxy shall be deemed signed when executed by the Member or by the Member's attorney-in-fact, whether manually or by facsimile.

B. Solicited Proxies. Any form of proxy distributed to 10 or more Members shall give the Member an opportunity to specify a choice between approval and disapproval of each matter or group of related matters and, subject to reasonable specified conditions, shall provide that, when the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification. In an election of Directors, any form of proxy that a Member marks "withhold," or otherwise marks in a manner indicating that authority to vote for the election of Directors is withheld, shall not be voted either for or against the election of a Director.

C. Requirement That General Nature of Subject of Proxy Be Stated. Any revocable proxy covering matters for which a vote of the Members is required shall not be valid

unless the proxy sets forth the general nature of the matter to be voted on. Such matters include amendments to the Articles of Incorporation; amendments to the Bylaws changing proxy rights; removal of Directors without cause; filling vacancies on the Board; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all assets of the Corporation; 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 a Director has a material financial interest; or a plan of distribution of assets other than money to members when the Corporation is in the process of winding up, when the distribution is not in accordance with liquidation rights of any class or classes.

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

(1) It is revoked by the Member executing it before the vote is cast under that proxy, (a) by a writing delivered to the Corporation stating that the proxy is revoked, (b) by a subsequent proxy executed by that Member and presented to the meeting or filed with the Secretary of the Corporation, or (c) as to any meeting, by the Member's personal attendance and voting at the meeting, or

(2) Written notice of the death or incapacity of the maker of the proxy is received by the Corporation before the vote under the proxy is counted.

#### ARTICLE 4 ASSOCIATES

4.1. Other Persons Associated With the Corporation . The Corporation may refer to other persons or entities associated with it as “members,” even though those persons or entities are not voting Members as set forth in Article 3 of these Bylaws, but no such reference shall constitute anyone as a member within the meaning of Section 5056 of the California Nonprofit Corporation Law unless that person or entity shall have qualified for a voting membership under Article 3 of these Bylaws. By amendment of its Articles of Incorporation or these Bylaws, the Corporation may grant some or all of the rights of a Member of any class to any person or entity associated with the Corporation that does not have the right to vote on the matters specified in Article 3 of these Bylaws, but no such individual or entity shall be a Member within the meaning of Section 5056 of the California Nonprofit Corporation Law.

## ARTICLE 5      BOARD OF DIRECTORS

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

5.2.    Specific Powers. Without prejudice to the general powers set forth in Section 5.1 of these Bylaws, but subject to the same limitations, the Board shall have the power to:

A.      Appoint and remove, at the pleasure of the Board, any of the Corporation's Officers, agents, and employees, subject to the rights, if any, of any Officer, agent or employee under any contract of employment; prescribe powers and duties for them that are consistent with 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 in or outside California, and designate any place within or outside California for holding any meeting of the Members.

C.      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.

5.3.    Number and Qualifications of Directors. The authorized number of Directors shall be fifteen (15), of which no more than two (2) shall be Associate Members in good standing, and the remainder shall be Regular Members in good standing.

5.4.    Nomination, Election and Term of Office of Directors.

A.      Committee Nominations. The President shall appoint a committee of Members to nominate qualified candidates for election as Directors at least 90 days before the date of any election of Directors, or by such other time as the Board may set. The nominating committee shall make its report at least 45 days before the date of the election, or by such other time as the Board may set. If Directors are elected without a meeting the nominees reported by the nominating committee shall be the only candidates.

B.      Floor Nominations. When a meeting of the Members is held for the election of Directors, any Member present at the meeting in person or by proxy may also place names in nomination.

C.      Nominee's Right to Solicit Votes. The Board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to Members the nominee's

qualifications and the reasons for the nominee's candidacy, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for the Members to choose among the nominees.

D. Use of Corporate Funds. If more people have been nominated for Director than can be elected, no corporate funds may be expended to support a nominee without the Board's authorization.

E. Election. The Directors of the Corporation shall be elected annually by the Members at the Annual Meeting of the Members, or without a meeting as provided in Section 3.8 of these Bylaws.

F. Term of Office. Except as provided in Section 5.4.G below, Directors shall be elected for a term of two (2) years each. Each Director may serve an unlimited number of consecutive terms. Each Director shall hold office until expiration of the term for which elected and until a successor is elected and qualified, unless the Director's office becomes vacant before the term of office expires pursuant to Section 5.5 below.

G. Initial Terms of Initial Directors. Eight (8) of the initial Directors shall serve initial terms of two (2) years each. Seven (7) of the initial Directors shall serve initial terms of one (1) year each.

H. Past Presidents. Each past president of the Corporation shall serve as an ex-officio non-voting member of the Board, unless he or she is also a Director, or declines to serve, or unless the Board decides otherwise.

#### 5.5. Vacancies on Board.

A. Events Causing Vacancy. A vacancy or vacancies on the Board shall exist on the occurrence of the following:

- (1) the death or resignation of any Director;
- (2) 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, 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;
- (3) the increase in the authorized number of Directors;
- (4) the failure of a Director to satisfy or maintain the qualifications set forth in Section 5.3 above;
- (5) the removal of a Director pursuant to Section 5.5.B or 5.5.C below; or

(6) the failure of the Members, at any meeting or action without a meeting in which any Director is to be elected, to elect the number of Directors required to fill vacancies on the Board as of the date of that meeting or action without a meeting.

B. Removal by Board. A Director may be removed upon the decision of a majority of the remaining Directors that said Director has failed in a material way to fulfill his or her duties as a Director, or has materially failed to comply with the Bylaws or policies of the Corporation, or has engaged in conduct materially prejudicial to the purposes or interests of the Corporation.

C. Removal by Members. If the Corporation has fewer than 50 Members, a Director may be removed with or without cause if the removal is approved by a majority of all Members. If the Corporation has 50 or more Members, a Director may be removed with or without cause if the removal is approved by the Members.

D. Resignations. Any Director may resign by giving written notice to the President or to the Secretary or to the entire Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. If a Director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective.

E. Filling 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 by the sole remaining Director. The Members may elect a Director at any time to fill any vacancy not filled by the Directors. A Director elected to fill a vacancy shall serve the unexpired portion of the term of office of the vacated position.

F. No Vacancy on Reduction of Number of Directors. No reduction in the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

#### 5.6. Directors' Meetings.

A. Place of Meetings. Meetings of the Board shall be held at any place within or outside California that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the Principal Office.

B. Meetings by Telecommunication. Any Board meeting may be held in whole or in part by conference telephone, video screen communication, or other communications equipment. Participation in a Board meeting under this Section shall be deemed to constitute presence in person at the meeting if both of the following apply:

(1) Each Director participating in the meeting can communicate concurrently with all other Directors.

(2) Each Director is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Board.

C. Annual Meeting. Immediately after each Annual Meeting of the Members, the Board shall hold a regular meeting in order to elect officers and transact any other business which may be required. Notice of this meeting is not required.

D. 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.

E. Special Meetings.

(1) Authority To Call. Special meetings of the Board for any purpose may be called at any time by the President, any Vice President, or any two (2) Directors.

(2) Notice. Notice of the time and place of special meetings shall be given to each Director by (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice messaging system or other system or technology designed to record and communicate messages; or by electronic transmission, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director by (d) facsimile; (e) electronic mail; or (f) other electronic means. All such notices shall be given or sent to the Director's address or telephone number as shown on the Corporation's records. Notices sent by first-class mail shall be deposited in the United States mail at least seven (7) days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic transmission shall be delivered, telephoned, or sent, respectively, at least forty-eight (48) hours before the time set for the meeting. The notice shall state the time of the meeting and the place, if the place is other than the Corporation's Principal Office. The notice need not specify the purpose of the meeting.

F. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (1) a quorum is present and (2) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding of the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting at its commencement the lack of proper notice.

G. Quorum. Six (6) voting 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 meeting held at which a quorum is present shall be the action or decision of the Board, subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law. The Directors may continue to transact business at a meeting at which a

quorum is initially present, 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.

H. Conduct of Meetings. Meetings of the Board shall be presided over by the President of the Corporation, or, in his or her absence, by a Vice-President of the Corporation, or, in the absence of each of these persons, by a chair chosen by a majority of the Directors present at the meeting. The Secretary of the Corporation shall act as secretary of all meetings of the Board, provided that in the absence of the Secretary and any Assistant Secretary, the presiding officer shall appoint another person to act as secretary of the meeting.

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

J. Notice of Adjourned Meeting. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the 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. This notice may be waived in the same manner as set forth under Section 5.6.F.

5.7. Action Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board without a meeting and that the Bylaws of this Corporation authorize the Directors to so act, and such statement shall be prima facie evidence of such authority.

5.8. Reimbursement and Compensation. The Board may authorize the advance or reimbursement of actual reasonable expenses incurred by a Director, Officer, or member of a Committee of the Board or Advisory Committee in carrying out his or her duties. Directors, Officers, and members of Committees shall not otherwise be compensated.

5.9. Restriction on Interested Directors. Not more than 49 percent of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise; (2) any shareholder, employee or officer of any corporation, or partner or employee of any partnership, which has rendered compensated services to the Corporation within the previous 12 months; and (3) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law of any person described in (1) or (2) of this Section of these Bylaws. Any violation of the provisions of this paragraph shall not, however, affect the validity or enforceability of any transaction entered into by the Corporation.

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

5.11. Loans to Directors. This Corporation shall not lend any money or property to, or guarantee the obligation of, any Director of the Corporation unless (1) the Board decides that the loan or guaranty may reasonably be expected to benefit the Corporation, and (2) before consummating the transaction or any part of it, the loan or guaranty is approved by either the Members, without counting the vote of the Director, or the vote of a majority of the Directors then in office, without counting the vote of the Director who is to receive the loan or guaranty.

## ARTICLE 6      OFFICERS

6.1. Officers. The Officers of the Corporation (“the Officers”) shall be a President, a Vice President, a Secretary, and a Treasurer. The Corporation, at the Board’s discretion, may have one or more additional Vice Presidents, an Assistant Secretary, and an Assistant Treasurer. Any number of offices may be held by the same person, except no Officer shall execute, acknowledge, or verify any instrument in more than one capacity, if such instrument is required to be executed, acknowledged, or verified by two or more Officers. Officers shall have powers and duties as specified by law, by the Corporation’s Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board. To be eligible to be an Officer of the Corporation, an individual must be a voting Director of the Corporation.

6.2. Election and Term of Office. The Officers shall be elected annually by the Board and shall serve at the pleasure of the Board, subject to the rights of any Officer under any employment contract. Officers may serve concurrent terms without limitation, except that no President shall serve more than five (5) concurrent terms. The President shall appoint a committee of Members to nominate qualified candidates for election as Officers at least 90 days before the annual meeting of the Board, or by such other time as the Board may set. The nominating committee shall make its report no later than the annual meeting of the Board, or by such other time as the Board may set. Candidates for Officers may also be nominated from the floor of the annual meeting of the Board.

6.3. Removal. Without prejudice to the rights of any Officer under an employment contract, the Board may remove any Officer at any time with or without cause.

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

6.5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for normal elections to that office. However, vacancies need not be filled on an annual basis and nominations for vacancies need not be by nominating committee.

6.6. Responsibilities of President. Subject to the control of the Board, the President shall be the chief executive officer and general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, Officers, employees, and agents. The President shall preside at all meetings of the Members and at all Board meetings. The President shall have such other powers and duties as the Board or the Bylaws may require.

6.7. Responsibilities of Vice Presidents. If the President is absent or disabled, 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 powers of and be subject to all restrictions on the President. The Vice Presidents shall have such other powers and duties as the Board or the Bylaws may require.

6.8. Responsibilities of Secretary.

A. The Secretary shall keep or cause to be kept, at the Corporation's Principal Office or such other place as the Board may direct, in a form specified in Section 10.1, a book of minutes of all meetings, proceedings, and actions of the Board, of Committees of the Board, of Advisory Committees, and of meetings of the Members. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; the names of persons present at Board and Committee meetings; and the number of Members present or represented at meetings of the Members.

B. The Secretary shall keep or cause to be kept, at the Corporation's Principal Office, a copy of the Articles of Incorporation and Bylaws, as amended to date.

C. The Secretary shall keep or cause to be kept, at the Corporation's Principal Office or at such other place as the Board may direct, in a form specified in Section 10.1, a record of the Corporation's Members, showing each Member's name, address, and class.

D. The Secretary shall give, or cause to be given, notice of all meetings of the Members, of the Board, and of Committees of the Board that these Bylaws require to be given.

E. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may require.

6.9. Responsibilities of Assistant Secretary. If the Secretary is absent or disabled the Assistant Secretary shall perform all duties of the Secretary. When so acting, the Assistant Secretary shall have all powers of and be subject to all restrictions on the Secretary. The Assistant Secretary shall assist the Secretary as may be requested by the Secretary, the President, or the Board. The Assistant Secretary shall have such other powers and duties as the Board or the Bylaws may require.

6.10. Responsibilities of Treasurer.

A. The Treasurer, who shall be the chief financial officer of the Corporation, shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions, in a form specified in Section 10.1. The Treasurer shall send or cause to be given to the Members and Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.

B. The Treasurer shall:

(1) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board may designate;

(2) disburse the Corporation's funds as the Board may order;

(3) render to the President and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the Corporation; and

(4) have such other powers and perform such other duties as the Board or the Bylaws may require.

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

6.11. Responsibilities of Assistant Treasurer. If the Treasurer is absent or disabled the Assistant Treasurer shall perform all duties of the Treasurer. When so acting, the Assistant Treasurer shall have all powers of and be subject to all restrictions on the Treasurer. The Assistant Treasurer shall assist the Treasurer as may be requested by the Treasurer, the President, or the Board. The Assistant Treasurer shall have such other powers and duties as the Board or the Bylaws may require.

## ARTICLE 7      COMMITTEES

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

- 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 any Committee 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 resolution of the Board 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 if 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 this Corporation and one or more of its Directors or between this Corporation and an entity in which one or more of its Directors have a material financial interest, subject to the approval provisions of Corporations Code §5233(d)(3).

7.2. Executive Committee. The Officers of the Corporation shall serve as the Executive Committee, which shall be a Committee of the Board. Each past president of the Corporation shall serve as an ex-officio non-voting member of the Executive Committee, unless he or she is also an Officer, or declines to serve, or unless the Board decides otherwise. The Executive Committee, unless limited by a resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the Corporation between meetings of the Board; provided, however, that the Executive Committee shall not have the authority of the Board in reference to those matters enumerated in Section 7.1. All actions of the Executive Committee shall be reported to and ratified or modified by the Board at the next regular Board meeting.

7.3. Advisory Committees. The Board may by resolution establish one or more Advisory Committees. Advisory Committees may not exercise the authority of the Board to make decisions on behalf of the Corporation, but shall be limited to making recommendations to the Board or the Board's authorized representatives and to implementing Board decisions and policies. Advisory Committees shall be subject to the supervision and control of the Board. Each Advisory Committee shall have a minimum of two members. The Board resolution establishing any Advisory Committee shall specify the maximum number of its members and the scope and limitations of its activities, provided, however, that no Advisory Committee shall have within its scope those matters enumerated in Section 7.1. The President shall appoint the members of each Advisory Committee from among the Members of the Corporation. The President shall appoint the chair of each Advisory Committee from among the Directors of the Corporation. The members and the chair of each Advisory Committee shall serve at the pleasure of the President.

7.4. Committee Meetings, Actions, and Reports. Meetings and actions of Committees of the Board and Advisory Committees shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings and other Board actions, except that the time for general meetings of Committees and the calling of special meetings of Committees may be set either by the Board or, if not, by the Committee. Minutes of each meeting of a Committee of the Board shall be kept and shall be filed with the corporate records. Each Advisory Committee shall report to the Board regarding its activities at each regular meeting of the board. The Board may adopt rules for the governance of any Committee as long as the rules are consistent with these Bylaws. If the Board has not adopted rules, the Committee may do so.

## ARTICLE 8      INDEMNIFICATION AND INSURANCE

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

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

Corporations Code §7237(e) whether the applicable standard of conduct has been met and, if so, the Members present at the meeting in person or by proxy shall authorize indemnification.

8.3. 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 8.1 and 8.2 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 found that the person is entitled to be indemnified by the Corporation for those expenses.

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

## ARTICLE 9      EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

9.1. Execution of Instruments. The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

9.2. Checks and Notes. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed or issued by such person or persons and in such manner as shall be determined from time to time by resolution of the Board; provided that, any such instrument for an amount in excess of Ten Thousand Dollars (\$10,000) shall require the signatures of two (2) persons so authorized by the Board. The Board may, from time to time by resolution, change the monetary threshold above which said instruments require two (2) signatures.

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

9.4. Gifts. The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the charitable or educational purposes of this Corporation.

ARTICLE 10     RECORDS AND REPORTS

10.1. Corporate Records. This corporation shall keep the following:

- 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 each Member's name, address, and class of membership.
- D. The 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 two.

10.2. Members' Inspection Rights.

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

(1) Inspect and copy the records containing Members' names, addresses, and voting rights during usual business hours on 5 days' prior written demand on the Corporation, which must state the purpose for which the inspection rights are requested; or

(2) Obtain from the Secretary of the Corporation, on written demand and tender of a reasonable charge, a list of names, addresses, and voting rights of Members who are entitled to vote for Directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the Member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the Member on or before the later of 10 days after the demand is received or the date specified in the demand as the date as of which the list is to be compiled.

B. The Corporation may, within 10 business days after receiving a demand under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons the proposed alternative does not meet the proper purpose of the demand. If the corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a Member, or if it provides a reasonable alternative under this Section, it may deny the member access to the membership list.

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

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

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

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

10.6. Annual Financial Report.

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

(1) 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.

(2) A statement of the place where the names and addresses of current Members are located.

(3) Any information that is required by Section 10.7 of these Bylaws.

B. The Corporation shall notify each Member annually in writing of the Member's right to receive a financial report under this Section 10.6. The Corporation may send the financial report to the Member with this notice. Otherwise, except as provided in Section 10.6.C, on written request by a Member, the Board shall promptly cause the most recent annual financial report to be sent to the requesting Member. Notice to the Member shall be given, and the financial report shall be sent, in the manner specified in Section 3.7.F(3) of these Bylaws for the giving of notice of meetings of the Members.

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

10.7. Annual Statement of Certain Transactions and Indemnifications. As part of the annual financial report to all Members, or as a separate document if no annual financial report is issued, the Corporation shall annually prepare and send to its Members and Directors, in the manner specified in Section 3.7.F(3) of these Bylaws for the giving of notice of meetings of the Members, a statement of any transaction or indemnification of the following kinds within one hundred twenty (120) days after the end of the Corporation's fiscal year:

A. Unless approved by Members under Section 7233(a) of the California Corporations Code (pursuant to Section 8322 of the same), any transaction: (i) to which the Corporation, its parent, or its subsidiary was a party, (ii) which involved more than fifty thousand dollars (\$50,000) or was one of a number of such transactions with the same person involving, in the aggregate, more than fifty thousand dollars (\$50,000), and (iii) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material financial interest):

(1) Any Director or Officer of the Corporation, its parent, or its subsidiary; or

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

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

B. A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year to any Officer or Director of the Corporation under Article 8 of these Bylaws, unless the loan, guaranty, indemnification, or advance has already been approved by the Members pursuant to Section 5034 of the California Corporations Code, or the loan or guaranty is subject to the provisions of Section 7235(a) of that Code.

## ARTICLE 11 AMENDMENTS

11.1. Board Amendment of Bylaws. Subject to the Members' rights under Sections 11.2 and 11.4 of these Bylaws, the Board may adopt, amend, or repeal Bylaws unless doing so would

A. Materially and adversely affect the Members' rights as to voting, dissolution, redemption, or transfer;

- B. Increase or decrease the number of Members authorized in total or for any class;
- C. Effect an exchange, reclassification, or cancellation of all or part of the memberships; or
- D. Authorize a new class of membership.

11.2. Changes to Number of Directors. Once Members have been admitted to the Corporation, the Board may not, without the Members' approval, specify or change any Bylaw that would

- A. Fix or change the authorized number of Directors;
- B. Fix or change the minimum or maximum number of Directors; or
- C. Change from a fixed number of Directors to a variable number of Directors or vice versa.

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

11.4. When 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 the Members;
- C. Increase the quorum for Members' meetings;
- D. Repeal, restrict, create, expand, or otherwise change proxy rights; or
- E. Authorize cumulative voting.

11.5. Members May Adopt, Amend, or Repeal Bylaws. New Bylaws may be adopted or these Bylaws may be amended or repealed by approval of the Members, provided, however, that any such adoption, amendment, or repeal also requires approval by the Members of a class if that action would

- A. 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;

- B. 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;
- C. Increase or decrease the number of memberships authorized for that class;
- D. Increase the number of memberships authorized for another class;
- E. Effect an exchange, reclassification, or cancellation of all or part of the memberships of that class; or
- F. Authorize a new class of memberships.

11.6. Limitations on Amendments.

- A. 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.
- B. No amendment may extend a Director's term beyond that for which the Director was elected.
- C. Any provision of these Bylaws providing for the designation or selection, rather than election, of any Director or Directors may be adopted, amended, or repealed only by approval of the Members, subject to the consent of the person or persons entitled to designate or select any such Directors.

ARTICLE 12      CONSTRUCTION AND DEFINITIONS

12.1. Unless the context requires otherwise, the general provision, 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 an individual.

**CERTIFICATE OF SECRETARY**

I, \_\_\_\_\_, certify that I am the duly elected and acting Secretary of CALIFORNIA ASSOCIATION OF WORKPLACE INVESTIGATORS, INC, a California Nonprofit Mutual Benefit Corporation (the “Corporation”), that the foregoing Bylaws, consisting of \_\_\_\_\_ pages, including this one, are the Bylaws of the Corporation as adopted by the Corporation as of \_\_\_\_\_ and that they have not been amended or modified since said date.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ at \_\_\_\_\_, California.

\_\_\_\_\_  
\_\_\_\_\_, Secretary