

**AMENDED AND RESTATED BYLAWS OF
NAMI SAN DIEGO
a California nonprofit public benefit corporation
Effective May 18, 2004**

ARTICLE I. NAME; PRINCIPAL OFFICE

The name of the corporation shall be NAMI San Diego. The principal office of the corporation is located in the County of San Diego, California. The corporation may have such other offices, either within or without the State of California, as the Board of Directors may determine.

ARTICLE II. PURPOSE

The Corporation is organized and operated exclusively for educational and charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

The general purposes of the corporation include providing education, support services and advocacy to improve the quality of life of everyone affected by mental illnesses.

The property of the corporation is irrevocably dedicated to charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.

Upon the dissolution or winding up of the corporation, all assets remaining after payment or provision for payment of all debts and liabilities of the corporation shall be distributed to a nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE III. MEMBERSHIP

Section 3.1 Classes of Membership. The classes of membership and dues shall be established by the Board of Directors.

Section 3.2 Eligibility for Membership. Any person interested in the purpose of the corporation is eligible for membership in the corporation.

Section 3.3 Member Privileges. Each member shall have one vote with respect to matters to be decided by the members.

Section 3.4 Termination of Membership. A membership shall terminate upon the occurrence of any of the following events:

- (A) Resignation of the member;
- (B) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or
- (C) Termination of membership under Section 3.6 based on the good faith determination by the Board of Directors, or a committee or person authorized by the Board of Directors to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interests.

Section 3.5 Suspension of Membership. A member may be suspended, under Section 3.6, based on the good faith determination by the Board of Directors, or a committee or person authorized by the Board of Directors to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interests. A person whose membership is suspended shall not be a member during the period of suspension.

Section 3.6 Termination or Suspension of Membership. If grounds appear to exist for terminating or suspending a member under Section 3.4 or Section 3.5, the following procedure shall be followed:

- (A) The Board of Directors shall give the member at least 15 days' prior notice of the proposed termination or suspension and the reasons for the proposed termination or suspension.
- (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 termination or suspension. The hearing shall be held, or the written statement considered, by the Board of Directors or by a committee or person authorized by the Board of Directors to determine whether the termination or suspension should not occur.
- (C) The Board of Directors or committee or person authorized by the Board of Directors shall decide whether the member should be suspended, expelled or sanctioned in any way. The decision of the Board of Directors, 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 expulsion, suspension or termination.

Section 3.7 Transfer of Memberships. Memberships are not transferable or severable. All rights of membership cease upon the member's death or dissolution.

Section 3.8 Membership in Two or More Names. Two or more persons may have an indivisible interest in a single membership. If a membership stands of record in the names of two or more persons, or if two or more persons (including proxyholders) have the same fiduciary relationship respecting the same membership, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect:

(A) If only one votes, such act binds them; and

(B) If more than one vote, the act of the majority so voting binds all.

ARTICLE IV. MEETINGS OF MEMBERS

Section 4.1 Annual Meeting. An annual meeting of the members shall be held in December of each year at a time and place selected by the Board of Directors, unless the Board of Directors fixes another date or time and so notifies members as provided in Section 4.3.

Section 4.2 Special Meetings. The President, the Chairman of the Board, if any, the Board of Directors or five percent or more of the members may call a special meeting of the members for any lawful purpose at any time. No business, other than the business set forth in the notice of the meeting, may be transacted at a special meeting. A special meeting called by any persons entitled to call a meeting (other than the Board) shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the President, any Vice President or the Secretary. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote that a meeting will be held at a specified time and date fixed by the Board of Directors, not less than 35 nor more than 90 days after the receipt of the request. If the notice is not given within 20 days after the request is received, the person or persons entitled to call 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 of Directors.

Section 4.3 Notice.

(A) Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given, as specified below within this Section 4.3, to each member entitled to vote at that meeting. The notice shall specify the place, date and hour of the meeting. For the annual meeting, the notice shall state the matters that the Board of Directors, 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.

(B) 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:

- (i) removal of a director without cause;
- (ii) filling vacancies on the Board of Directors;
- (iii) amending the Articles of Incorporation;
- (iv) electing to wind up and dissolve the corporation.

(C) Notice of any meeting of members or any report shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered or certified mail, that notice shall be given not less than 20 days before meeting. The notice shall be given either personally or by mail or other means of written communication, and shall be addressed to each member entitled to vote, at the address of that member as it appears on the books of the corporation or at the address given by the member to the corporation for purposes of notice; or if no such address appears on the corporation's books or has been so given, (i) at the corporation's principal office or (ii) by publication at least once in a newspaper of general circulation in the county in which the principal office is located.

(D) An affidavit of mailing giving any notice or report in accordance with this Section 4.3 may be executed by the Secretary or Assistant Secretary, if any, and if so executed, shall be filed and maintained in the corporation's minute book.

(E) If any notice or report addressed to a member at the address of such 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 or report to the member at such address, all future notices or reports 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 or report to all other members.

Section 4.4 Quorum.

(A) 5% of the voting power of the members shall constitute a quorum for the transaction of business at any meeting of members.

(B) If, however, the attendance at any meeting of the members, whether in person or by proxy, is less than one-third of the voting power of the members, the members may vote only on matters as to which notice of their general nature was given under this Article IV.

(C) Subject to this Article IV, 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 members required to constitute a quorum.

Section 4.5 Eligibility to Vote. Subject to the California Nonprofit Corporation Law, all members in good standing on the record date as determined under Section 4.11 shall be entitled to vote at any meeting of members.

Section 4.6 Manner of Voting. Voting may be by voice or by ballot.

Section 4.7 Number of Votes. Each member entitled to vote may cast one vote on each matter submitted to a vote of the members.

Section 4.8 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 is required under the California Nonprofit Corporation Law or by the Articles of Incorporation.

Section 4.9 Waiver of Notice or Consent. A member's attendance at a meeting shall 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. 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.

Section 4.10 Action by Written Ballot.

(A) Any action that members may take at any meeting of members may also be taken without a meeting by complying with this Section 4.10. The corporation shall distribute one written ballot to each member entitled to vote on the matter. The ballots shall be mailed in the manner required in Section 4.3. All solicitations of votes by written ballot shall (i) state the number of responses needed to meet the quorum requirement; (ii) state the percentage of approvals necessary to pass the measure or measures; and (iii) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (a) set forth the proposed action; (b) give the members an opportunity to specify approval or disapproval of each proposal; and (c) provide a reasonable time in which to return the ballots to the corporation. If the corporation has 100 or more members, any written ballots distributed to 10 or more members shall provide that, subject to reasonable specified conditions, if the person solicited specified a choice in any such matter, the vote shall be cast according to that specification.

(B) Approval by written ballot shall be valid only when (i) the number of votes cast by ballot 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 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.

(C) All written ballots shall be filed with the Secretary and maintained in the corporate records for at least three years.

Section 4.11 Record Date.

(A) For purposes of establishing the members entitled to receive notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights in any lawful action, the Board of Directors may, in advance, fix a record date. The record date so fixed for:

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

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

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

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

(B) If not otherwise fixed by the Board of Directors, the record date for determining members entitled to receive notice of a meeting of members shall be the business day preceding the day on which notice is given or, if notice is waived, the business day preceding the day on which the meeting is held. If not otherwise fixed by the Board of Directors, the record date for determining members entitled to vote at the meeting shall be the day on which the meeting is held.

(C) If not otherwise fixed by the Board of Directors, 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.

(D) If not otherwise fixed by the Board of Directors, 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 of Directors adopts the resolution relating to that action, or the 60th day before the date of that action, whichever is later.

(E) For purposes of this Section 4.11, a person holding a membership at the close of business on the record date shall be a member of record.

Section 4.12 Proxies.

(A) Each member 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. A proxy shall be deemed signed if the member's name is placed on the proxy by the member or the member's attorney-in-fact, whether by manual signature, typewriting, facsimile or otherwise.

(B) If the corporation has 100 or more members, 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.

(C) Any 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 at the time the notice of the vote is given to the members. Such matters include amendments of the Articles of Incorporation or these Bylaws changing proxy rights; certain other amendments of the Articles of Incorporation; removal of directors without cause; the sale, lease, exchange, conveyance, transfer or other disposition of all or substantially all corporate assets, unless the transaction is in the usual and regular course of the corporation's activities; the principal terms of a merger or the amendment of a merger agreement; or the election to dissolve the corporation.

(D) 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 three years after the date of execution. A validly executed proxy shall continue in full force and effect until either:

(i) it is revoked by the member executing it, before the vote so cast under that proxy (a) by a writing delivered to the corporation stating that the proxy is revoked, or (b) by a subsequent proxy executed by that member and presented to the meeting, or (c) as to any meeting, by that member's personal attendance and voting at the meeting; or

(ii) written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote under that proxy is counted.

(E) A proxy may not be irrevocable.

Section 4.13 Adjournment. Any meeting of the members, 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 meeting of the members 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.

ARTICLE V. BOARD OF DIRECTORS

Section 5.1 General Powers. The Board of Directors shall be the policy making and managing body of the corporation, vested with the full power to conduct its business, subject to the laws of California, including the California Nonprofit Corporation Law, this Constitution and Bylaws, and the mandates of the general membership.

Section 5.2 Number of Directors and Qualification. The Board of Directors shall have at least nine members but no more than 15 members, with the exact number of directors to be fixed by approval of the Board of Directors. The Board of Directors shall be divided into two groups, denoted Group A and Group B. To the extent possible, each group shall contain an equal number of directors. At least a majority of the members of the Board of Directors shall be persons who have been diagnosed with and received treatment for serious mental illness and/or family members of such persons. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.

Section 5.3 Nominations.

(A) Prior to any meeting of the members at which directors are to be elected, the President shall name a Nominating Committee, which shall begin a selection process for a slate of directors to serve the following year. The names of all nominees approved by the Board of Directors shall be included in the notice of any meeting of the members at which directors are to be elected.

(B) Any member present at a meeting of the members at which directors are to be elected may nominate one or more directors.

Section 5.4 Term of Office. The term of office of a director shall be two years or until his or her successor is duly elected and qualified, subject to his or her earlier death, resignation, removal or disqualification; provided, however, that the term of an initial Group A director shall end at the first annual meeting of the members after the initial classification of directors and the term of an initial Group B director shall end at the second annual meeting of the members after the initial classification of directors, or until his or her successor is duly elected and qualified, subject to his or her earlier death, resignation, removal or disqualification.

Section 5.5 Vacancies. A vacancy or vacancies on the Board of Directors shall be deemed to exist in case of the death, resignation or removal of any director, or if the authorized number of directors is increased. Vacancies on the Board of Directors, including a vacancy created by the removal of a director by

the members, may be filled by the approval of the Board of Directors or, if the number of directors then in office is less than a quorum, by (a) the unanimous written consent of the directors then in office, (b) the affirmative vote of a majority of the directors then in office at a meeting held in accordance to notice or waivers of notice complying with Section 5211 of the California Nonprofit Corporation Law, or (c) a sole remaining director.

Section 5.6 Regular Meetings. Regular meetings of the Board of Directors shall be held, without call or notice, at such time and place as agreed by the Board.

Section 5.7 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President or a majority of directors. Notice of the special meeting 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, 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, (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 mails at least four days before the time set for the meeting. Notices given by personal delivery, telephone or electronic mail shall be delivered, telephoned or sent, respectively, at least 48 hours before the time set for the meeting. The notice shall state the time of the meeting and the place, if the place is other than the corporation's principal office. The notice need not specify the purpose of the meeting.

Section 5.8 Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be valid as though taken at a meeting duly held after regular call and notice, if a quorum is present, and either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 5.9 Quorum. One third of the authorized number of directors shall constitute a quorum for the transaction of business. The action of a majority of the directors present at any meeting at which a quorum is present, when duly assembled, is valid as a corporate act, subject to the more stringent provisions of the California Nonprofit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (b) approval of certain

transactions between corporations having common directorships, (c) creation of an appointment to committees of the Board of Directors and (d) indemnification of directors. A meeting at which a quorum is initially present may continue to transaction business, despite the withdrawal of some directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 5.10 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time or place. 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.

Section 5.11 Telephonic Meetings. Members of the Board of Directors may participate in a meeting through the use of conference telephone, video screen communication or similar communications equipment, so long as all directors participating in such meeting can communicate concurrently with all other participating directors. Participation in such a meeting shall constitute personal presence at the meeting.

Section 5.12 Action Without a Meeting. Any action required or permitted to be taken without a meeting if all members of the Board of Directors consent in writing to such action. Such consents shall be filed with the minutes of the proceedings of the Board of Directors. Such action by written consent shall have the same force and effect as any other validly approved action of the Board of Directors.

Section 5.13 Fees and Compensation. Directors and members of committees of the Board of Directors shall receive no compensation for their services as such. Directors and committee members may receive reimbursement for expenses incurred in the performance of such duties, as may be fixed or determined by the Board of Directors.

Section 5.14 Committees of the Board of Directors. The Board of Directors, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more directors. The Board of Directors 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 of the authority of the Board of Directors, to the extent provided in the resolution creating such committee, except that no committee may:

- (i) take any final action on any matter that, under the California Nonprofit Corporation Law, also requires approval of the members or approval of a majority of all members;
- (ii) fill vacancies on the Board of Directors or any committee of the Board of Directors;
- (iii) fix compensation of the directors for serving on the Board of Directors or on any committee of the Board of Directors;
- (iv) amend or repeal bylaws or adopt new bylaws;
- (v) amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable;
- (vi) create any other committees of the Board of Directors or appoint the members of committees of the Board of Directors;
- (vii) expend corporate funds to support a nominee for director if more people have been nominated for director than can be elected; or
- (viii) to the extent provided by Section 5233 of the California Nonprofit Corporation Law, the approval of any self-dealing transaction, as such transactions are defined in such section.

Unless the Board of Directors or such committee shall otherwise provide, the meetings and other actions of any such committee shall be governed by the provisions of these Bylaws, except that the time for general meetings of such committee and the calling of special meetings of such committee may be set either by Board resolution or, if none, by resolution of the committee. Minutes of each committee meeting shall be kept and filed with the corporate records. The Board of Directors may adopt rules for the governance of any committee as long as the rules are consistent with these Bylaws. If the Board of Directors has not adopted such rules, the committee may do so.

ARTICLE VI. OFFICERS

Section 6.1 Officers. The officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer (Chief Financial Officer) and such other officers with such titles and duties as shall be determined by the Board of Directors and as may be elected in accordance with the provisions of this Article IX. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as President.

Section 6.2 Election of Officers. The officers of the corporation, except any appointed under Section 9.3, shall be chosen annually by the Board of Directors and shall serve at the pleasure of the Board, and shall hold their respective offices until their resignation, removal or other disqualification from service, or until their respective successors shall be elected.

Section 6.3 Appointment of Other Officers. The Board of Directors may appoint and authorize the President or another officer to appoint any other officers that the corporation may require. Each appointed officer shall have the title and authority, hold office for the period and perform the duties specified in these Bylaws or established by the Board of Directors.

Section 6.4 Removal of Officers. The Board of Directors may remove any officer with or without cause. An officer who was not chosen by the Board of Directors may be removed by any other officer on whom the Board confers the power of removal.

Section 6.5 Resignation of Officers. Any officer may resign at any time by giving written notice to the Board of Directors. 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.

Section 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 normal appointments to that office; provided, however, that vacancies need not be filled on an annual basis.

Section 6.7 Responsibilities of Officers:

(A) President. The President shall, subject to the control of the Board of Directors, generally supervise the officers of the corporation. The President shall preside at all meetings of the members and all meetings of the Board of Directors. The President shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

(B) Executive Director. Subject to the control of the Board of Directors, the Executive Director shall be the general manager of the corporation and shall supervise, direct and control the affairs and activities of the corporation. The Executive Director shall have such other power and duties as may be prescribed by the Board of Directors or these Bylaws.

(C) 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 of

Directors, or, if not ranked, a Vice President designated by the Board of Directors, shall perform all duties of the President, and when so acting, shall have all the powers of, and be subject to, all the restrictions placed on the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed by the Board of Directors or these Bylaws.

(D) Secretary. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees and members, with the time and place of holding, whether regular or special, and if special how authorized, the notice thereof given, the names of those present at the Board of Directors and committee meetings, and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal office in the State of California, the original or a copy of the corporation's Articles of Incorporation and Bylaws, as amended to date.

The Secretary shall keep or cause to be kept, at the corporation's principal office or at a place determined by resolution of the Board of Directors, a record of the corporation's members, showing each member's name, address and class of membership, if any.

The Secretary shall give, or cause to be given, notice of all meetings of members, of the Board of Directors and of committees of the Board required by these Bylaws be given.

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 of Directors or these Bylaws may require.

(E) Treasurer (Chief Financial Officer). The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation. This shall include accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The books of accounts shall be open to inspection by and director at all reasonable times.

The Treasurer shall be responsible for the deposit of all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors; shall disburse or cause to be disbursed funds of the corporation as may be ordered by the Board of Directors or the President; shall render to the President and directors, whenever they request it, an account of all transactions and of the financial condition of the corporation; and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

(F) Other Duties. Officers shall have such other duties as are ordinarily and customarily incumbent upon their positions, and such other duties as may from time to time be determined by the Board of Directors.

ARTICLE VII. MISCELLANEOUS

Section 7.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to officers so authorized by these Bylaws, 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.

Section 7.2 Checks, Drafts, Etc. All checks, drafts or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 7.3 Inspection of Records. 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:

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

(B) Obtain from the Secretary, on written demand and tender of a reasonable charge, an alphabetized 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 a date specified by the member after the date of demand received 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 business days after the demand is received or after the date specified in the demand as the date as of which the list is to be compiled.

The corporation may, within 10 business days after receiving a demand under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. An alternative method which reasonably and in a timely manner accomplishes the proper purpose set forth in a demand under this Section shall be deemed a reasonable alternative, unless within a reasonable time after acceptance of the offer the corporation fails

to do those things which it offered to do. 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.

Section 7.4 Accounting Records and Minutes. Upon the written demand of the corporation, any member may inspect, copy and make extracts of the accounting books and records and the minutes of the proceedings of the members, the Board of Directors and committees of the Board of Directors 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.

Section 7.5 Directors' Right to Inspect. Every director shall have the right at any reasonable time to inspect the corporation's books, records, documents of every kind and physical properties. 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.

ARTICLE VIII. REQUIRED REPORTS

Section 8.1 Annual Report. Except as otherwise permitted by the California Nonprofit Corporations Code, the Board of Directors shall cause an annual report to be sent to the members and directors within 120 days after the end of the corporation's fiscal year. The report shall contain the following information, in appropriate detail:

- (A) The assets and liabilities, including trust funds, of the corporation at the end of the fiscal year;
- (B) The principal changes in the corporation's assets and liabilities, including trust funds, during the fiscal year;
- (C) The corporation's revenue or receipts, both unrestricted and restricted to particular purposes, for the fiscal year;
- (D) The corporation's expenses or disbursements, for both general and restricted purposes, during the fiscal year;
- (E) Any information required by Section 8.2; and
- (F) An independent accountants' report or, if none, the certificate of any authorized officer of the corporation that such statements were prepared without audit from the corporation's books and records.

Section 8.2 Annual Statement of Certain Transactions and Indemnifications.

As part of the annual report to all members, or as a separate document, the corporation shall, within 120 days after the end of the corporation's fiscal year, annually prepare and mail or deliver to each member and furnish to each director a statement of any transaction or indemnification in which the corporation, or its parent or subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest:

(A) any director or officer of the corporation, or its parent or subsidiary, although a mere common directorship is not a material financial interest; or

(B) any holder of more than 10% of the voting power of the corporation, its parent or subsidiary.

The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than fifty thousand dollars (\$50,000) or which was one of a number of transactions with the same persons involving, in the aggregate, more than fifty thousand dollars (\$50,000). Similarly, the statement need only be provided with respect to indemnification or advances aggregating more than ten thousand dollars (\$10,000) paid during the previous fiscal year to any director or officer pursuant to Section 5238 of the California Nonprofit Corporations Code, unless the indemnification has been approved by the members under Section 5238(e) thereunder.

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

ARTICLE IX. INDEMNIFICATION

To the fullest extent permitted by law, the corporation shall indemnify its directors, officers, employees and other persons described in Section 5238(a) of the California Nonprofit Corporation Law, 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 Article shall have the same meaning as in Section 5238(a) of the California Nonprofit Corporation Law.

On written request to the Board of Directors by any person seeking indemnification under Section 5238(b) or 5238(c) of the California Nonprofit Corporation Law, the Board of Directors shall promptly determine under Section 5238(e) of the California Nonprofit Corporation Law whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board of Directors shall authorize indemnification. If the Board of Directors cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevent the formation of a quorum of directors who are not parties to that proceeding, indemnification shall be authorized only by court order.

To the fullest extent permitted by law and except as otherwise determined by the Board of Directors in a specific instance, expenses incurred by a person seeking indemnification under this Article in defending any proceeding covered by this Article 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.

ARTICLE X. AMENDMENTS TO BYLAWS

Except as otherwise required by the California Nonprofit Corporations Code, these Bylaws may be altered, amended or repealed and new bylaws adopted by the Board of Directors.