

BYLAWS
OF
ASSOCIATION OF SILICON VALLEY BROKERS, INC.
A California Nonprofit Public Benefit Corporation

ARTICLE ONE: OFFICES

1.01 PRINCIPAL OFFICE. The principal office for the transaction of the activities and affairs of the Corporation is located at 475 El Camino Real, Suite 100, City of Santa Clara, County of Santa Clara, State of California. The Board of Directors 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.

1.02 OTHER OFFICES. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

ARTICLE TWO: PURPOSES AND LIMITATIONS

2.01 GENERAL PURPOSES. This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable and public purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States Internal Revenue Law). Notwithstanding any other provision of these Bylaws, this Corporation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation, and the Corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States Internal Revenue Law); or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

2.02 SPECIFIC PURPOSES. Within the context of the general purposes stated above, this Corporation's specific purpose shall be to devote itself to the promotion of high standards in the field of commercial real estate brokerage that will foster knowledgeable, ethical, and efficient activities by its Members, and encourage involvement of its Members in the community in which they work. To this end it shall:

- (a) Encourage close cooperation and professional conduct between Members of the commercial brokerage community.
- (b) Provide a forum at which positive and constructive action may be taken to increase the knowledge and professional skills of its Members.
- (c) Upon request make available to governmental and civic organizations the knowledge and skills of individual Members in assisting them in the formation of their real estate policies.
- (d) Establish guidelines of professional conduct and standards of ethical practice.
- (e) Establish listing information standards for dissemination of Members' listings to other brokerage firms.
- (f) Promote, institute and regulate a lock box key system for the use of Members.
- (g) Provide a structure by which Members can contribute to the community in which they work.

2.03 LIMITATIONS.

(A) Political Activity. No substantial part of the activities of this Corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Internal Revenue Code of 1986, and this Corporation shall not participate in or intervene in (including publishing or distributing statements) any political campaign on behalf of or in opposition to any candidate for public office.

(B) Property. The property, assets, and net income of this Corporation are irrevocably dedicated to the purposes set forth in Sections 2.01 and 2.02 above, and no part of the net income or assets of this Corporation shall ever inure to the benefit of any director, officer, member (if any), or employee thereof or to the benefit of any private individual.

(C) Dissolution. Upon the dissolution or winding up of the Corporation, its assets remaining after payment of, or provision for payment of all debts and liabilities of this Corporation shall be distributed to a nonprofit organization, fund, foundation, or corporation which is organized and operated exclusively for educational or charitable purposes and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE THREE: DEFINITIONS

3.01 COMMERCIAL REAL ESTATE BROKERAGE – The business of the sale or lease by investors, owners, and users of non-residential properties and apartments.

3.02 SILICON VALLEY – See map attached as Exhibit A.

3.03 MEMBERSHIP YEAR – January 1 – December 31.

3.04 BOARD YEAR/FISCAL YEAR – July 1 – June 30.

ARTICLE FOUR: MEMBERSHIP

4.01 MEMBERS. This Corporation shall have two classes of members, designated as “Active Members” and “Associate Members” as each is defined in this Article Four. Any person dedicated to the purposes of the Corporation and meeting the requirements set forth in this Article for membership shall be eligible for membership on approval by the Membership Committee and on timely payment of such dues and fees as the Board of Directors may fix from time to time.

4.02 ACTIVE MEMBERS. Active membership shall be granted to:

(a) Companies and branch offices located in Silicon Valley, California (as defined herein), engaged in the business of commercial real estate brokerage and individual agents who work for such companies or branch offices (“Corporate Member”), and

(b) Individuals who are physically located in Silicon Valley, California (as defined herein), engaged in the business of commercial real estate brokerage, or to individual agents not physically located in Silicon Valley, California (as defined herein), who are doing 75% of their business in Silicon Valley, and who are not agents of a company that is a Corporate Member (“Individual Member”).

Both Corporate Members and Individual Members shall be referred to collectively as “Members”. To qualify as a Corporate Member or an Individual Member, the Member must:

- Be licensed by the State of California.
- Be accepted by the Membership Committee for membership in the Corporation.
- Be doing 75% of the company’s business in commercial real estate brokerage, in the case of a Corporate Member.
- Be spending 75% of his or her working time in the field of commercial real estate brokerage in Silicon Valley, and not be affiliated with a commercial real estate brokerage company, in the case of an Individual Member.
- Subscribe to the Bylaws, and Policies, and Procedures of the Corporation.

4.03 ASSOCIATE MEMBERS. Associate membership shall be open to companies or organizations directly involved in commercial real estate or allied fields, such as, but not

limited to, title companies, property management companies, lending institutions, mortgage loan companies, public utilities, attorneys, investors, and developers, and shall be referred to as "Associate Members". Each Associate Member shall be allowed to designate up to three (3) representatives to attend meetings and participate in corporate activities (exceptions can be made only at the discretion of the Board of Directors). Such representatives shall be designated annually by the company's chief officer for the ensuing calendar year and subject to approval by the Board of Directors of this Corporation. In all cases, representatives of Associate Members shall be principals, chief executives, or marketing representatives. The following rules shall apply to Associate Members:

(a) Each Associate Member's application shall first be reviewed and approved by the Board of Directors of this Corporation by a vote of not less than eighty percent (80%) of Directors present at a duly held meeting at which a quorum is present.

(b) Associates Members shall have no voting rights whatsoever and shall not be permitted to hold office.

(c) Associate Members may attend meetings, take part in discussions, advise on matters pertaining to industrial/commercial real estate, and serve as members of committees of the Corporation.

(d) Associate Members shall not have access to ASVB Lock Boxes and Lock Box Keys.

(e) Annual dues for Associate Members shall be determined by the Board of Directors at the last Board Meeting of each calendar year, and shall be due on January 1st of each calendar year. The dues for an Associate Member shall be equal to an amount established by the Board of Directors, multiplied by the number of representatives the Associate Member designates, up to the three (3) person limit.

(f) Provisions of Sections 4.04(f), 4.05 and 4.06 shall apply to Associate Members.

4.04 MEMBERSHIP DUES. Each Active and Associate Member must pay, within the time and on the conditions set by the Board, the dues, fees, and assessments in amounts to be fixed from time to time by the Board. The dues, fees, and assessments shall be equal for all Members of each class, but the Board may, in its discretion, set different dues, fees, and assessments for each class. Members who have paid the required dues, fees, and assessments in accordance with these Bylaws and who are not suspended shall be Members in good standing.

Each Corporate Member and each Individual Member must pay annual membership dues for each Membership Year. Such dues shall be due and payable on January 1st of each calendar year. The Board of Directors shall determine membership dues for an upcoming Membership Year at the last Board Meeting of each Board Year. Dues will be as follows:

(a) Annual dues for Individual Members will be the same as the Corporate Membership Unit Amount determined by the Board of Directors.

(b) Annual dues for Corporate Members will be determined by the Board of Directors within the following guidelines: A “Corporate Membership Unit Amount” will be determined by the Board of Directors. Corporate Members’ dues will be computed by multiplying the number of agents (licensees who are working as salespersons for that organization at the beginning of the calendar year) by the Corporate Membership Unit Amount.

(c) Prorata annual dues shall be computed for each new Individual Member from the first day of the month in which such person becomes a Member. Such dues shall be due and payable on the date he or she becomes a Member.

(d) Prorata annual dues shall be computed for an existing Corporate Member from the first day of the month of employment for any new agent (licensee who is employed as a salesperson) who begins working for an existing Corporate Member after January 1st of any calendar year. Such dues shall be due and payable on the first day of the month following the employment of such new agent.

(e) Prorata annual dues shall be computed for each new Corporate Member from the first day of the month in which such organization becomes a Member. Such dues shall be due and payable on the date such organization becomes a Member.

(f) A late fee as determined by the Board of Directors will be assessed to Members whose dues are not received by February 15th of each year. A Member who fails to pay dues plus the late fee to the Corporation by the 10th day of March of each year will receive written notice by March 15th that if all amounts due are not received by April 1st, membership shall be terminated as of April 1st. Upon termination, all rights and benefits of membership and membership services shall terminate. Membership cannot be reinstated until January of the following year. If terminated, all agents of a Corporate Member and all Individual Members associated with the Corporate Member shall lose all benefits of membership.

4.05 TERMINATION OF MEMBERSHIP. Membership shall terminate on occurrence of any of the following events:

(a) Resignation of the Member;

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

(c) The Member’s failure to pay dues, fees, or assessments as set by the Board within the time provided in Section 4.04(f) of these Bylaws;

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

(e) Termination of membership based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the Member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the Corporation’s purposes and interests.

If grounds appear to exist for terminating a Member under this Section, the following procedure shall be followed:

(1) The Board shall give the Member at least 15 days' prior notice of the proposed termination and the reasons for the proposed termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the Member's last address as shown on the Corporation's records.

(2) 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. 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 termination should occur.

(3) The Board, committee, or person shall decide whether the Member should be expelled or sanctioned in any way. The decision of the Board, committee, or person shall be final.

(4) Any action challenging a termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the termination.

4.06 REINSTATEMENT OF MEMBERSHIP. Membership may be reinstated on January 1st of the year following termination of membership upon the majority vote of the Board of Directors and the payment of any current and delinquent annual dues.

4.07 APPLICATION NOT ACCEPTED BY BOARD OF DIRECTORS. In the event an application for any class of membership is not accepted by the Board of Directors, the applicant shall be notified in writing by the Secretary of the Board.

ARTICLE FIVE: RIGHTS OF MEMBERSHIP

5.01 RIGHT TO VOTE. All Active Members shall have the right to vote, as set forth in these Bylaws, on the election of Directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation. In addition, those Members shall have all rights afforded Members under the California Nonprofit Public Benefit Corporation Law.

5.02 TRANSFER OF MEMBERSHIP NOT PERMITTED. No membership or right arising from membership shall be transferred.

ARTICLE SIX: MEETINGS OF MEMBERS

6.01 ANNUAL MEETING. An annual meeting of Members of the Corporation ("Annual Meeting of Members") shall be held for the purpose of electing officers and Directors

as required by law. Other proper business may be transacted. The Board of Directors shall designate the date of the next Annual Meeting of Members at the March Board Meeting of each year. The Annual Meeting of Members shall be held at any place designated by the Board of Directors. In the absence of any such designation, Members' meetings shall be held at the Corporation's principal office. The Board may authorize Members who are not present in person to participate by electronic transmission or electronic video communication.

6.02 NOTICE OF ANNUAL MEETING. The Annual Meeting of Members shall be held not less than ten (10) nor more than ninety (90) days following written notice to the entire membership of the time, place and purposes of the meeting.

6.03 AUTHORITY FOR ELECTRONIC MEETINGS. If authorized by the Board in its sole discretion, and subject to the requirements of consent in Corporations Code section 20(b) and guidelines and procedures the Board may adopt, Members not physically present in person (or, if proxies are allowed, by proxy) at a meeting of Members may, by electronic transmission by and to the Corporation or by electronic video screen communication, participate in a meeting of Members, be deemed present in person (or, if proxies are allowed, by proxy), and vote at a meeting of Members whether that meeting is to be held at a designated place or in whole or in part by means of electronic transmission by and to the Corporation or by electronic video screen communication, subject to the requirements of these Bylaws.

6.04 REQUIREMENTS FOR ELECTRONIC MEETINGS. A meeting of the Members may be conducted, in whole or in part, by electronic transmission by and to the Corporation or by electronic video screen communication (1) if the Corporation implements reasonable measures to provide Members in person (or, if proxies are allowed, by proxy) a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings, and (2) if any Member votes or takes other action at the meeting by means of electronic transmission to the Corporation or electronic video screen communication, a record of that vote or action is maintained by the Corporation. Any request by a Corporation to a Member pursuant to Corporations Code section 20(b) for consent to conduct a meeting of Members by electronic transmission by and to the Corporation shall include a notice that absent consent of the Member pursuant to Corporations Code section 20(b), the meeting shall be held at a physical location in accordance with Section 6.01 of these Bylaws.

6.05 SPECIAL MEETINGS. A special meeting may be called for any purpose by the President, Board of Directors, or by request of five percent (5%) or more of the Members, for any lawful purpose at any time.

6.06 CALLING SPECIAL MEETINGS. A special meeting called by any person entitled to call a meeting (other than the Board) shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the Chairman of the Board, if any, or the President or any Vice President or the Secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, stating that a meeting will be held at a specified time and date fixed by the Board; provided, however, that the meeting date shall be at least 35 but no more than 90 days after receipt of the request. If the notice is not given within 20 days after the request is received, the person or

persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the time at which a meeting of Members may be held when the meeting is called by the Board.

6.07 PROPER BUSINESS OF SPECIAL MEETING. No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

6.08 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 to each Member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting, and the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which Members may 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.

6.09 NOTICE OF CERTAIN AGENDA ITEMS. Approval by the Members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

- (a) Removing a Director without cause;
- (b) Filling vacancies on the Board;
- (c) Amending the Articles of Incorporation; or
- (d) Electing to wind up and dissolve the Corporation.

6.10 MANNER OF GIVING NOTICE. Notice of any meeting of Members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date. The notice shall be given either personally or by first-class, registered, or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each Member entitled to vote, at the address of that Member as it appears on the books of the Corporation or at the address given by the Member to the Corporation for purposes of notice. If no address appears on the Corporation's books and no address has been so given, notice shall be deemed to have been given if either (i) notice is sent to that Member by first-class mail or facsimile or other written communication to the Corporation's principal office or (ii) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

It shall be the duty of Corporate Members and Individual Members to keep the Corporation informed of Member addresses, email addresses, and any subsequent change of address or email address.

6.11 ELECTRONIC NOTICE OF MEETINGS. Notice given by electronic transmission by the Corporation shall be valid only if:

(a) Delivered by (i) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Corporation; (ii) posting on an electronic message board or network 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 delivery of the separate notice of it; or (iii) other means of electronic communication;

(b) Delivered to a recipient who has provided an unrevoked consent to the use of those means of transmission for communications; and

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

(d) Notwithstanding the foregoing, an electronic transmission by this Corporation to a Member is not authorized unless, in addition to satisfying the requirements of this section, the transmission 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 section 7001(c)(1)). Notice shall not be given by electronic transmission by the Corporation after either of the following:

(1) The Corporation is unable to deliver two consecutive notices to the Member by that means; or

(2) The inability so to deliver the notices to the Member becomes known to the Secretary, any Assistant Secretary, or any other person responsible for the giving of the notice.

6.12 AFFIDAVIT OF MAILING NOTICE. An affidavit of the mailing of any notice of any Members' meeting, or of the giving of such notice by other means, may be executed by the Secretary, Assistant Secretary, or any transfer agent of the Corporation, and if so executed, shall be filed and maintained in the Corporation's minute book.

6.13 QUORUM. One-third (1/3) of the voting power shall constitute a quorum for the transaction of business at any annual or special meeting of Members. Except as otherwise required by law, the Articles, or these Bylaws, the Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough Members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

ARTICLE SEVEN: VOTING

7.01 ELIGIBILITY TO VOTE. Subject to the California Nonprofit Public Benefit Corporation Law, Active Members, including Corporate Members and Individual Members as defined in Section 4.02 of these Bylaws in good standing on the record date as determined under Sections 7.08 and 7.09 of these Bylaws shall have all rights afforded Members under the California Nonprofit Public Benefit Corporation Law, and shall be entitled to vote at any meeting of Members, including meetings on the election of Directors, on the disposition of all or

substantially all of the assets of the Corporation, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation.

7.02 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.

7.03 NUMBER OF VOTES. Active Members entitled to vote shall have the following number of votes:

(a) Corporate Members shall have one (1) vote for each agent working for the Corporate Member in elections or upon motions before the Corporation. A Corporate Member shall designate in writing the name of an agent who is authorized to cast votes on behalf of such Corporate Member, or, in the absence of such written designation, the Board Member representing such Corporate Member shall cast such Corporate Member's votes. Such Corporate Member's votes shall be a direct reflection of the votes of its individual agents.

(b) Individual Members shall have one (1) vote in elections or upon motions before the Corporation.

7.04 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 by the California Nonprofit Public Benefit Corporation Law, the Articles of Incorporation, or these Bylaws.

7.05 WAIVER OF NOTICE OR CONSENT. The transactions of any meeting of Members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after standard call and notice, if (a) a quorum is present either in person or by proxy, and (b) either before or after the meeting, each Member entitled to vote, 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 of the meeting. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of the meeting except that, if action is taken or proposed to be taken for approval of any matter specified in Sections 6.08 and 6.09 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.

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

7.06 ACTION BY WRITTEN BALLOT. Any action, except election of Directors, that Members may take at any meeting of Members may also be taken without a meeting by complying with Section 7.07 of these Bylaws.

7.07 SOLICITATION OF WRITTEN BALLOTS. This Corporation shall distribute one written ballot to each Member entitled to vote on the matter. The ballot and any related material may be sent by electronic transmission by the Corporation, and responses may be returned to the Corporation by electronic transmission that meets the requirements of Sections 6.03 and 6.04 of these Bylaws. 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. Each ballot so distributed shall (a) set forth the proposed action; (b) give the Members an opportunity to specify approval or disapproval of each proposal; and (c) provide a reasonable time in which to return the ballot to the Corporation. If the Corporation has 100 or more Members, any written ballot distributed to ten or more Members shall provide that, subject to reasonable specified conditions, if the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification.

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

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

7.08 RECORD DATE FOR NOTICE, VOTING, WRITTEN BALLOTS, AND OTHER BOARD ACTIONS. 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:

- (a) Sending notice of a meeting shall be no more than 90 nor less than 10 days before the date of the meeting;
- (b) Voting at a meeting shall be no more than 60 days before the date of the meeting;
- (c) 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
- (d) Taking any other action shall be no more than 60 days before that action.

7.09 RECORD DATE FOR ACTIONS NOT SET BY BOARD. If not otherwise fixed by the Board, the record date for determining Members entitled to receive notice of a meeting of Members shall be the next business day preceding the day on which notice is given or, if notice is waived, the next business day preceding the day on which the meeting is held. If not otherwise fixed by the Board, the record date for determining Members entitled to vote at the meeting shall be the day on which the meeting is held.

If not otherwise fixed by the 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.

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

For purposes of Sections 7.08 and 7.09 of these Bylaws, a person holding a membership at the close of business on the record date shall be a Member of record.

7.10 PROXIES.

(A) Members' Proxy Rights. 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 of the Corporation. 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 transmission, or otherwise.

(B) Solicited Proxies. 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. 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) Subject Matter of Proxy. 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 or, in an election of Directors, the proxy lists the persons who have been nominated at the time the notice of the vote is given to the Members. Such matters include amendments of the Articles of Incorporation or Bylaws changing proxy rights; certain other amendments of the Articles of Incorporation; removal of Directors without cause; filling vacancies on the Board of Directors; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all 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) Revocability of Proxies. 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:

- (1) It is revoked by the Member executing it, before the vote is cast under that proxy (i) by a writing delivered to the Corporation stating that the proxy is

revoked, or (ii) by a subsequent proxy executed by that Member and presented to the meeting, or (iii) as to any meeting, by that 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 that proxy is counted. A proxy may not be irrevocable.

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

ARTICLE EIGHT: DIRECTORS

8.01 GENERAL CORPORATE POWERS. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation and of these Bylaws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.

8.02 SPECIFIC POWERS. Without prejudice to the general powers set forth in Section 13.01 of these Bylaws, but subject to the same limitations, the Directors shall have the power to:

(a) Appoint and remove, at the pleasure of the Board, all the Corporation's officers, agents, and employees; 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 and conduct its activities within or outside California; and designate any place within or outside California for holding any meeting, including annual meetings.

(c) Adopt and use a corporate seal and alter the form thereof.

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

8.03 AUTHORIZED NUMBER OF DIRECTORS. The authorized number of Directors shall be not less than nine (9) nor more than fifteen (15) until changed by a duly adopted amendment to these Bylaws adopted by a majority vote of the Members of the Board then in office. The exact number of Directors shall be set by the Board of Directors within the specified limits. The Board shall consist of officers and the immediate past president of the Corporation.

8.04 RESTRICTION ON INTERESTED PERSONS AS DIRECTORS. No more than 49 percent of the persons serving on the Board may be "interested persons." An interested person is (a) 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, excluding any reasonable compensation paid to a Director as Director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this Section shall not affect the validity or enforceability of transactions entered into by the Corporation.

8.05 TERM OF OFFICE. Directors shall be elected at each annual Members' meeting, to hold office for a term of one (1) year from July 1 through June 30 ("Board Year") or until their successors have been elected and qualified, whichever occurs later.

8.06 NOMINATIONS AND ELECTION OF DIRECTORS. Each Corporate Member may annually nominate two (2) representatives to run for the Board of Directors. Each Individual Member may annually nominate one (1) representative to run for the Board of Directors. Each Corporate Member and each Individual Member shall provide the Board with the names of such Member's nominee(s) at least 20 days prior to the Annual Meeting of Members, so that the names can be included in the Notice of the Meeting.

The Board of Directors 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 all Members to choose among the nominees. Without authorization of the Board of Directors, no corporate funds may be expended to support a nominee for Director after there are more people nominated for Director than can be elected.

The election shall be by written ballot if more than one (1) person has been nominated for a position. Three persons appointed by the President shall tabulate the ballots and report to the meeting the totals of the votes cast. The nominees (the number to be decided by the Board of Directors pursuant to Section 8.03 of these Bylaws) receiving the highest number of votes shall be declared elected. Any tie votes shall be decided by a majority vote of the Members of the Board of Directors present at the annual meeting of Members.

8.07 VACANCIES ON BOARD OF DIRECTORS. A vacancy or vacancies on the Board of Directors shall exist on the occurrence of the following: (a) the death or resignation of any Director; (b) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; (c) the vote of the Members to remove a Director; (d) the increase of the authorized number of Directors; (e) the failure of the Members, at any meeting of Members at which any Director or Directors are to be elected, to elect the number of Directors required to be elected at such meeting; or (f) the failure by a Director to attend two (2) consecutive meetings, except as provided for in Section 8.08 of these Bylaws.

8.08 REMOVAL OF DIRECTORS. Any Director who does not attend two (2) consecutive Board meetings will automatically be removed from the Board without Board resolution unless (a) the Director requests a leave of absence for a limited period of time, and the leave is approved by the Directors at a regular or special meeting (if such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is or is not present), (b) the Director suffers from an illness or disability that prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this Section, or (c) the Board by resolution of the majority of Board members must agree before a Director who has missed two (2) meetings may be reinstated.

8.09 RESIGNATIONS. Except as provided below, any Director may resign by giving written notice to the Chairman of the Board, if any, or to the President or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a Director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of California, no Director may resign if the Corporation would be left without a duly elected Director or Directors in charge of its affairs.

8.10 FILLING VACANCIES. Except for a vacancy created by the removal of a Director by the Members, vacancies on the Board may be filled by a majority of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director, to serve until election of Directors at the next annual meeting of Members.

8.11 NO VACANCY ON REDUCTION OF NUMBER OF DIRECTORS. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

8.12 PLACE OF DIRECTORS' MEETINGS. Meetings of the Board of Directors 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 of the Corporation.

8.13 MEETINGS BY TELEPHONE OR OTHER TELECOMMUNICATIONS EQUIPMENT. Any Board meeting may be held by conference telephone, video screen

communication, or other communication equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if both the following apply:

(a) Each Member participating in the meeting can communicate concurrently with all other Members.

(b) Each Member 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 Corporation.

8.14 ANNUAL MEETING. Immediately after each annual meeting of Members, the Board shall hold a general meeting for purposes of organization, and transaction of other business. Notice of this meeting is not required.

8.15 OTHER REGULAR MEETINGS. Meetings of the Board of Directors shall be held once a month at such time and place as has been designated by resolution of the Board or in the notice of the meeting, for the purpose of conducting such business as may come before the Board. Notice of these meetings may be given, but is not required.

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.

8.16 SPECIAL MEETINGS - AUTHORITY TO CALL. Special meetings of the Board of Directors for any purpose may be called at any time by the Chairman of the Board, if any, the President, or any three (3) Directors.

8.17 MANNER OF GIVING 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; (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.

8.18 TIME REQUIREMENTS. Notices sent by first-class mail shall be deposited in the United States mails at least four (4) 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. Emergency meetings may be held on lesser notice provided (a) a good faith effort to notify each Director is made; and (b) the meeting is limited to the emergency matter which is duly recorded in the minutes.

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

8.20 QUORUM. A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit 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 and appointments to committees of the Board, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

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

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

8.23 NOTICE OF ADJOURNED MEETING. Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than twenty-four (24) hours. If the original meeting is adjourned for more than twenty-four (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.

8.24 ACTION WITHOUT A MEETING. Any action that the Board is required or permitted to take may be taken without a meeting if all members of the Board consent in writing to the action; provided, however, that the consent of any Director who has a material financial interest in a transaction to which the Corporation is a party and who is an "interested Director" as defined in Section 5233 of the California Corporations Code shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes of the proceedings of the Board.

8.25 COMPENSATION AND REIMBURSEMENT. Directors may receive such compensation, if any, for their services as Directors or officers, and such reimbursement of expenses, as the Board may determine by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

8.26 COMMITTEES. The Board of Directors, by resolution adopted by a majority of the Directors then in office, provided a quorum is present, may create one or more committees each consisting of two or more Directors and no persons who are not Directors to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the

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, to the extent provided in the Board resolution, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of the Members or approval of a majority of all Members;
- (b) Fill vacancies on the Board or on any committee that has the authority of the Board;
- (c) Fix compensation of the Directors for serving on the Board or on any committee;
- (d) Amend or repeal Bylaws or adopt new Bylaws;
- (e) Amend or repeal any 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; or
- (g) Expend corporate funds to support a nominee for Director after more people have been nominated for Director than can be elected.

8.27 MEETINGS AND ACTIONS OF COMMITTEES. Meetings and actions of committees of the Board shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by Board resolution or, if there is none, by resolution of the committee of the Board. Minutes of each meeting of any committee of the Board shall be kept and shall be filed with the corporate records. The Board may adopt rules for the government of any committee, provided they are consistent with these Bylaws or, in the absence of rules adopted by the Board, the committee may adopt such rules.

8.28 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 transaction with this Corporation, unless (a) the material facts regarding that 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 noted in the minutes, or are known to all members of the Board prior to the Board's consideration of such contract or transaction; (b) 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 votes of the interested Directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the Corporation could not obtain a more

advantageous arrangement with reasonable effort under the circumstances; and (d) the Corporation for its own benefit enters into the transaction, which is fair and reasonable to the Corporation at the time the transaction is entered into.

This section does not apply to a transaction that is part of an educational or charitable program of this Corporation if it (a) is approved or authorized by the Corporation in good faith and without unjustified favoritism and (b) results in a benefit to one or more Directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this Corporation.

ARTICLE NINE: OFFICERS

9.01 OFFICERS OF THE CORPORATION. The officers of the Corporation shall be a President, a Secretary, a Chief Financial Officer, and the Past President. The Corporation may also have, at the Board's discretion, a Chairman of the Board, one or more Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with Section 9.03 of these Bylaws. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as either the President or the Chairman of the Board.

9.02 ELECTION OF OFFICERS. The officers of the Corporation, except those appointed under Section 9.03 of these Bylaws, shall be nominated and elected annually by the Board of Directors at the May Board meeting, unless the May Board meeting is cancelled, in which case, the elections shall be held in June. The elected officers will take office on the first day of July of each year and shall serve for one (1) Board Year or until their successors have been duly elected and qualified, whichever occurs later. The elected officers shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment.

9.03 OTHER OFFICERS. The Board of Directors may appoint and may authorize the Chairman of the Board, the President, or other officer, to appoint any other officers that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined by the Board of Directors.

9.04 REMOVAL OF OFFICERS. Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the Board of Directors and also, if the officer was not chosen by the Board of Directors, by any officer on whom the Board may confer that power of removal.

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

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

9.07 CHAIRMAN OF THE BOARD. If a Chairman of the Board is elected, he or she shall preside at meetings of the Board of Directors and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no President, the Chairman of the Board shall also be the Chief Executive Officer and shall have the powers and duties of the President of the Corporation prescribed by these Bylaws.

9.08 PRESIDENT. Subject to such supervisory powers as the Board of Directors may give to the Chairman of the Board, if any, and subject to the control of the Board, the President shall be the Chief Executive Officer and the general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and officers. The President, in the absence of the Chairman of the Board, or if there is none, shall preside at all Board meetings. The President shall have such other powers and duties as the Board or the Bylaws may prescribe. The President may enter into and execute in the name of the Corporation contracts or other instruments in the regular course of business which are authorized, either generally or specifically, by the Board.

9.09 SECRETARY.

(a) **Book of Minutes.** The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized, the notice given, and the names of those present at Board and committee meetings. The Secretary shall keep or cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and Bylaws, as amended to date.

(b) **Notices, Seal, and Other Duties.** The Secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

9.10 CHIEF FINANCIAL OFFICER.

(a) **Books of Account.** The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Chief Financial Officer shall send or cause to be given to the 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) **Deposit and Disbursement of Money and Valuables.** The Chief Financial Officer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the Board of Directors may designate, shall disburse the Corporation's funds as the Board may order, shall render to the President, Chairman of the Board, if any, and the Board, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

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

9.11 PAST PRESIDENT. The Past President shall serve in an advisory capacity, offering information and suggestions to aid in the smooth running of the Board.

9.12 VICE PRESIDENTS. All other Board Members shall be Vice Presidents and shall perform such duties and have such authority as from time to time may be delegated to them by the President or by the Board. In the event of the absence, death, inability or refusal to act by the President, one of the Vice Presidents shall perform the duties and be vested with the authority of the President upon selection and confirmation by the Board. When so acting, a Vice-President shall have all powers of and be subject to all restrictions on the President.

ARTICLE TEN: LOANS TO DIRECTORS AND OFFICERS

10.01 LOANS TO DIRECTORS AND OFFICERS. The Corporation shall not lend any money or property to or guarantee the obligation of any Director or officer without the approval of the California Attorney General; provided, however, that the Corporation may advance money to a Director or officer of the Corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that Director or officer would be entitled to reimbursement for such expenses by the Corporation.

ARTICLE ELEVEN: INDEMNIFICATION

11.01 RIGHT OF INDEMNITY. To the fullest extent permitted by law, this Corporation shall indemnify its Directors, officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses", as used in this Bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

11.02 APPROVAL OF INDEMNITY. On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(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 or the attorney or other person rendering services in connection with the defense shall apply to the court in which such proceeding is or was pending to determine whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met.

11.03 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 11.01 and 11.02 of these Bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

ARTICLE TWELVE: INSURANCE

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

ARTICLE THIRTEEN: RECORDS AND REPORTS

13.01 MAINTENANCE OF CORPORATE RECORDS. The Corporation shall keep:

- (a) Adequate and correct books and records of account; and
- (b) Written minutes of the proceedings of the Board and committees of the Board.

13.02 INSPECTION BY MEMBERS. 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 days' prior written demand on the Corporation, which must state the purpose for which the inspection rights are requested; or

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

The Corporation may within ten 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.

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.

13.03 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, and committees of the Board 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.

13.04 INSPECTION OF ARTICLES AND BYLAWS. The Corporation shall keep at its principal California office the original or a copy of the Articles of Incorporation and Bylaws, as amended to the current date, which shall be open to inspection by the Members at all reasonable times during office hours.

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

13.06 ANNUAL REPORT. The Board shall cause an annual report to be sent to the Members and Directors within one hundred twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information, in appropriate detail, for the fiscal year:

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

- (b) The principal changes in assets and liabilities, including trust funds.
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes.
- (d) The expenses or disbursements of the Corporation for both general and restricted purposes.
- (e) Any information required by Section 13.07 of these Bylaws.

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

This requirement of an annual report shall not apply if the Corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all Directors who request it in writing.

13.07 ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. As part of the annual report to all Members and Directors, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail or deliver to each Member and Director a statement of any transaction or indemnification of the following kind within one hundred twenty (120) days after the end of the Corporation's fiscal year:

(a) Any transaction (i) in which the Corporation, its parent, or its subsidiary was a party, (ii) in which an "interested person" had a direct or indirect material financial interest, and (iii) which involved more than \$50,000, or was one of a number of transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either of the following:

(1) Any Director or officer of the Corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); 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 interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or Director of the Corporation under Article Thirteen of these Bylaws.

ARTICLE FOURTEEN: CONSTRUCTION AND DEFINITIONS

14.01 CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. If any provision in these Bylaws is inconsistent with a provision in the California Nonprofit Corporation Law, 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, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

ARTICLE FIFTEEN: AMENDMENTS

15.01 AMENDMENT BY BOARD SUBJECT TO LIMITATION BY MEMBERS. Subject to the Members' rights under these Bylaws and the limitations set forth below, the Board may adopt, amend, or repeal Bylaws provided two-thirds (2/3) of the entire Board of Directors shall vote in favor thereof, and a two-thirds (2/3) vote of eligible Members present and voting at any meeting of the membership shall ratify such action. All Members shall have been advised in writing of the proposed changes not less than seven (7) days, nor more than fifteen (15) days in advance of the meeting at which action is to be taken.

15.02 AMENDMENT BY MEMBERS. These Bylaws may be further amended by any Member in good standing who shall submit the suggested changes in writing accompanied by the supporting signatures of not less than 10% of the active membership in good standing, to the Board of Directors, who shall at its next regular meeting following receipt of such changes, consider the changes and make recommendations that will be submitted to all Members in writing not less than seven (7) days, nor more than fifteen (15) days in advance of the regular meeting of the general membership at which action is to be taken.

15.03 CHANGES TO NUMBER OR TERM 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 (i) fix or change the authorized number of Directors, (ii) fix or change the minimum or maximum number of Directors, or (iii) change from a fixed number of Directors to a variable number of Directors or vice versa. The Board may not amend the Bylaws to extend a Director's term beyond that for which the Director was elected.

15.04 LIMITATIONS ON AMENDMENT OF BYLAWS. Where any provision of these Bylaws requires the vote of a larger proportion of the Members or Directors than otherwise is required by law, such provision may not be altered, amended, or repealed except by the vote of such greater number. No amendment may extend the term of a Director beyond that for which such Director was elected.

15.05 MEMBERS' APPROVAL REQUIRED. Without the approval of the Members, the Board may not adopt, amend, or repeal any bylaw that would (i) increase or extend the terms of Directors, (ii) allow any Director to hold office by designation or selection rather than by election by the Members, (iii) increase the quorum for Members' meetings, (iv) repeal, restrict, create, expand, or otherwise change proxy rights, or (v) authorize cumulative voting.

15.06 MAINTENANCE OF RECORDS. The Secretary of the Corporation shall see that a true and correct copy of all amendments of the Bylaws, duly certified by the Secretary, is attached to the official Bylaws of the Corporation and is maintained with the official records of the Corporation at the principal office of the Corporation.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of ASSOCIATION OF SILICON VALLEY BROKERS, INC., a California Nonprofit Public Benefit Corporation, that the above Bylaws, consisting of twenty-seven (27) pages, including this page, are the Bylaws of this Corporation as adopted by the Members and Directors on _____, 2006, and that they have not been amended or modified since that date.

Executed as of _____, 2006, at _____, California.

_____, Secretary

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