

**Amended and Restated Bylaws**

**Amended and Restated Bylaws of Accellera Systems Initiative**

**A California Nonprofit Mutual Benefit Corporation**

November 10, 2011

AMENDED AND RESTATED BYLAWS OF  
ACCELLERA SYSTEMS INITIATIVE  
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION

**Article I**  
**Name of Corporation**

The name of the corporation, a California nonprofit mutual benefit corporation, is Accellera Systems Initiative (the ‘Corporation’).

**Article II**  
**Offices**

**2.1 Principal Office.** The principal office for the transaction of the business of the Corporation shall be located in 1370 Trancas Street #163, Napa, California 94558. The Board of Directors of the Corporation (the ‘Board’) may change the principal office from one location to another, and this section shall be amended accordingly.

**2.2 Other Offices.** The Board may at any time establish branch offices, either within or outside the State of California, in order to advance the proper purposes of the Corporation.

**Article III**  
**Objectives and Purposes**

The Corporation has been formed under the California Nonprofit Mutual Benefit Corporation Law and it shall be nonprofit and nonpartisan. The Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in its Articles of Incorporation. The specific purposes of the Corporation include, but are not limited to, the following:

1. Driving the worldwide development and use of standards required by systems, semiconductor and design tool companies to enhance a front-end design automation process;
2. Encouraging availability and adoption of intellectual property (‘IP’), tools and methodologies based on the Corporation's standards;
3. Preparing standards for submission to the Institute of Electrical and Electronics Engineers (‘IEEE’) where appropriate;
4. Providing the legal and technical framework to support the collaborative development of standards;
5. Defining interoperability requirements in a manner allowing individual intellectual property and tools providers to show their support of the standards established by the Corporation;
6. Creating and administering periodic, openly available updates of reference

implementations and examples for the standards established by the Corporation where appropriate, and as decided by the relevant technical working groups;

7. Delivering regular, openly available updates, language reference manuals ('LRMs') and specifications for present and future versions of standards for use by the entire design and verification community, including defining the scope for the evolution of standards and other IP in the form of a roadmap;

8. Building a community of companies, individuals and organization who share this common set of goals; and

9. Participating in any other such activities in furtherance of the general purposes of the Corporation as determined by the Board.

#### **Article IV Dedication of Assets**

No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any Director or Officer of the Corporation. On liquidation or dissolution, all properties and 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 which is organized and operated exclusively for public benefit purposes and which has established its exempt status under Section 501(c)(3) or 501(c)(6) of the Internal Revenue Code.

#### **Article V Voting Members and Non-Voting "Members"**

##### **5.1 Voting Membership.**

(a) **Voting Members.** The Corporation shall have one (1) class of voting membership, the Corporate Members ('Members' or 'Voting Members'). The membership, voting and other rights, interests and privileges of each Member shall be as set forth herein and in the Member's Membership Agreement. As used in these Bylaws, the terms 'member' and 'membership', whether or not capitalized, and any variations thereof, denote only Voting Members who are statutory members as defined at Section 5056(a) of the California Nonprofit Corporation Law.

(b) **Qualifications.** Any organization or corporation that participates in the community to specifically further the interests of the Corporation and which pays the associated fees, as established from time to time by the Board, shall be eligible to be admitted as a Corporate Member.

(c) **Admissions Process.** Potential Members shall apply to the Board for approval of admission. Upon execution of the Membership Agreement and payment of applicable dues, an eligible applicant for Member status shall be admitted as a Member of the Corporation. Once

admitted, a Member shall continue as such until it resigns, downgrades its membership, or is terminated pursuant to Article 5.1(d) herein.

**(d) Suspension, Expulsion or Termination.** The Board shall automatically and without notice terminate the membership of any Member who has not paid the annual membership fee before the 60<sup>th</sup> calendar day after such payment is due. In addition, the Board may adopt additional rules governing suspension, expulsion and termination of Members. Subject to the procedures set forth in this Article 5.1(d), a Member shall be expelled if the Board determines that the Member has failed in a serious degree to observe the Corporation's Bylaws, policies and procedures, or has breached any written agreement with the Corporation or has engaged in any conduct that is materially and seriously prejudicial to the Corporation's purposes and interests. The procedure to be followed in the event of an event that would trigger expulsion or termination shall (i) be set forth in writing and provided annually to the Members, (ii) provide at least thirty (30) calendar days notice prior to the expulsion, suspension or termination, which notice shall include the reason for the action and (iii) provide the Member an opportunity to contest the action. The Corporation may not suspend, terminate or expel a Member except in compliance with the provisions of the California Nonprofit Mutual Benefit Corporation Law.

**(e) Fees, Dues, and Assessments.** Each Member shall pay annual dues to the Corporation, in such amount as shall be established annually by the Board.

**(f) Resignation.** A Member may resign its membership by delivering a letter of resignation to the Chair or to the Vice Chair of the Board. If a Member resigns effective as of any date other than the last day of the Corporation's fiscal year, then such Member shall not be entitled to a refund of dues, or any part thereof, for the year in which such resignation occurs.

**(g) Non-transferability.** No Member may transfer a membership or any right arising therefrom. In the event of a merger, reorganization or other significant corporate transaction in which a Member is not the surviving corporate entity, the surviving organization shall succeed to its predecessor's membership, provided that the successor executes the applicable membership agreement and agrees in writing to be subject to all written representations, agreements, and other documents executed by or on behalf of the predecessor Member or to which the predecessor Member was subject.

**(h) Designation of Member Representative.** Upon admission to the membership of the Corporation, a Member shall designate an individual who shall represent the Member in all transactions with the Corporation (the 'Representative'), and shall provide the address of such Representative for purposes of giving notice to the Member; provided, however that a Member may designate an unlimited number of individuals who may represent the Member for the limited purpose of participating in committees and subcommittees that are not Committees of Directors as described in Article 9.1 herein. In all other respects, each Member shall have a single Representative. In the absence of notice of a Representative's address, the address provided for the Member shall be used.

A Member's Representative may be replaced by the Member at any time, and such replacement shall be effective upon receipt by the Secretary of the Corporation of written notice from the president of the Member, or any other authorized officer or employee of the Member, naming the successor Representative. References in these Bylaws to any action to be taken by, or notice to be made to, a Member shall be deemed to refer to the Member's Representative. One individual person may serve as Representative for more than one Member.

(i) **Changes in Membership Class.** Members who elect to downgrade their membership class shall be free to do so at any time during their membership period by written notice to the Treasurer of the Board, provided that the Member is in good standing, otherwise qualifies, and completes the applicable admissions process. No refund will be due from the Corporation to any Member as the result of a downgrade in class.

## 5.2 **Non-Voting “Memberships”.**

(a) **Non-Voting “Members”.** The Corporation shall have non-voting “members” as set forth in these Bylaws and as determined by the Board in its absolute discretion, which “members” shall have whatever rights, interests and privileges as shall be set forth herein and in their “Membership” Agreement. As used in these Bylaws, the terms ““member”” and ““membership””, whether or not capitalized (*i.e.*, said terms within double quotation marks) and any variations thereof (within double quotation marks), denote only non-voting “members” who are not statutory members as defined at Section 5056(a) of the California Nonprofit Corporation Law.

(b) **Associate “Members”.** Any organization or corporation that participates in the community to specifically further the interests of the Corporation and which pays the associated fees, as established from time to time by the Board, shall be eligible to be admitted as an Associate “Member”. The provisions of Articles 5.1(b) through 5.1(h) herein that apply to Members shall, with any modifications that the Board in its absolute discretion deems appropriate and adopts by resolution, apply to Associate “Members”.

(c) **Other Classes of Non-Voting “Members”.** The Board in its absolute discretion may create by resolution one or more additional classes of non-voting “membership” in the Corporation and may prescribe the designations, privileges, and method of selection, and other rules that shall apply to the participants of each class.

(d) **Changes in “Membership” Class.** “Members” who elect to change their “membership” class shall be free to do so at any time during their “membership” period by written notice to the Treasurer of the Board, provided that the “member” is in good standing, otherwise qualifies, and completes the applicable admissions process. In the case of “members” that elect to upgrade, the class change shall not take place unless and until the Treasurer has received the applicable additional dues, which shall be the net difference, as apportioned by the Treasurer in his or

her sole discretion, between the dues previously paid and the dues required for the upgrade in class. In the case of “members” that elect to downgrade, no refund will be due from the Corporation.

## **Article VI Meetings of Members**

**6.1 Place of Meeting.** Meetings of the Members shall be held at any place within or without the State of California designated by the Board. In the absence of such designation, Members' meetings shall be held at the principal office of the Corporation.

**6.2 Annual Meetings.** An annual meeting of Members shall be held on a date and time to be set in advance by the Board.

**6.3 Special Meetings.**

**(a) Authorized Persons Who May Call.** A special meeting of the Members may be called at any time by any of the following: the Board, the Chair of the Board, or twenty five percent (25%) or more of all Members.

**(b) Calling Meetings by Members.** If the Members call for a special meeting, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by electronic transmission to the Chair of the Board or the Secretary of the Corporation. The Officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, in accordance with the provisions of Article 6.4 herein, that a meeting will be held, and the date for such meeting, which date shall be not less than thirty-five (35) nor more than ninety (90) calendar days following the receipt of the request. If said notice is not given within twenty (20) calendar days after receipt of the request, the Members requesting the meeting may give the notice in accordance with Article 6.4 herein. Nothing contained in this Article 6.3(b) shall be construed as limiting, fixing, or affecting the time when a meeting of Members may be held when the meeting is called by action of the Board.

**6.4 Notice of Members' Meetings.**

**(a) General Notice Contents.** All notices of meetings of Members shall be sent or otherwise given in accordance with Article 6.4(c) herein not less than ten (10) nor more than ninety (90) calendar days before the date of the meeting. The notice shall specify the place, date, and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted (and no other business may be transacted) or (ii) in the case of the annual meeting, those matters which the Board, at the time of giving the notice, intend to present for action by the

Members. The notice of any meeting at which Directors are to be elected shall include the names of all nominees as of the time the notice is given.

**(b) Notice of Certain Agenda Items.** If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):

- (i) Removing a Director without cause;
- (ii) Filling vacancies on the Board by the Members;
- (iii) Amending the Articles of Incorporation;
- (iv) Approving a contract or transaction in which an Officer or Director has a material financial interest; or
- (v) Approving a plan of liquidation and dissolution.

**(c) Manner of Giving Notice.** Notice of any meeting of Members shall be given either personally or by first-class mail, electronic transmission or other written communication, charges prepaid, addressed to each Member either at the address of that Member appearing on the books of the Corporation or the address given by the Member to the Corporation for the purpose 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 electronic transmission to the Corporation's principal executive office or (ii) notice is published at least once in a newspaper of general circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by electronic transmission.

**(d) Affidavit of Mailing Notice.** An affidavit of the mailing or other means of giving any notice of any Members' meeting may be executed by the Secretary or any transfer agent of the Corporation, and if so executed, shall be filed and maintained in the minute book of the Corporation.

## **6.5 Quorum.**

**(a) Percentage Required.** Fifty percent (50%) of the Members shall constitute a quorum for the transaction of business at a meeting of the Members.

**(b) Loss of Quorum.** The Members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members 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.

**6.6 Adjourned Meeting.** Any Members' meeting, annual or special, 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. In the absence of a quorum, no other business may be transacted at that meeting, except as provided in this Article VI.

**6.7 Voting.**

(a) **Eligibility to Vote.** Persons entitled to vote at any meeting of Members shall be Members as of the date determined in accordance with Article 6.10 herein, subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law.

(b) **Manner of Conducting Meeting and Casting Votes.** A meeting of Members may be held at a physical location in accordance with Section 7510(a) of the California Nonprofit Mutual Benefit Corporation Law. A meeting of Members may also be conducted, in whole or in part, by electronic transmission by and to the Corporation or by electronic video screen communication if (i) 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 (ii) 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 the Corporation to a Member pursuant to Section 20(b) of the General Provisions of the California Corporations Code 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 said Section 20(b), the meeting shall be held at a physical location as referenced in the first clause of this paragraph. In the case of a meeting at a physical location or by electronic transmission, votes may be cast orally or in writing (as that phrase is defined in Section 5079 of the Nonprofit Corporation Law, including facsimile, telegraphic, and other electronic communication to the Corporation as authorized by Section 21 of the General Provisions of the Corporations Code).

(c) **Only Majority of Members Represented at Meeting Required, Unless Otherwise Specified.** If a quorum is present, the affirmative vote of the majority of the Members represented at the meeting entitled to vote and voting on any matter (other than the election of Directors as set forth in Article VII herein) shall be the act of the Members, unless the vote of a greater number is required by the California Nonprofit Mutual Benefit Corporation Law.

**6.8 Waiver of Notice or Consent by Absent Members.**

(a) **Written Waiver or Consent.** The transaction of any meeting of Members, either annual or special, however called or noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote who was not present in person or by proxy, signs a written waiver of notice or a consent to a holding of the meeting or an approval

of the minutes. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of Members, except that if action is taken or proposed to be taken for approval of any of those matters specified Article 6.4(b) herein, the waiver of notice or consent 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.

**(b) Waiver by Attendance.** Attendance by a Member at a meeting shall constitute a waiver of notice of that meeting, except when the Member objects at the beginning of the meeting to the transaction of any business due to the inadequacy or illegality of the notice. Attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting (if notice of such matters is otherwise required), if that objection is expressly made at the meeting.

## **6.9 Action by Members Without a Meeting.**

**(a) General.** Any action that may be taken at any annual or special meeting of Members may be taken without a meeting and without prior notice upon compliance with the provisions of this Article 6.9.

**(b) Action By Unanimous Written Consent.** Any action required or permitted to be taken by the Members may be taken without a meeting, if all Members shall individually or collectively consent in writing as defined by Section 5079 of the California Nonprofit Corporation Law. The form of written consent and any related material may be sent by electronic transmission by the Corporation and may be returned by the Members by electronic transmission to the Corporation. The written consent or consents shall be filed with the minutes of the proceedings of the Members. The action by written consent shall have the same force and effect as the unanimous vote of the Members.

**(c) Vote By Written Ballot.** Any action which may be taken at any regular or special meeting of Members may be taken without a meeting if the Corporation distributes a written ballot to every Member entitled to vote on the matter. If approved by the Board of Directors, that 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 to the Corporation. That ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Corporation. Directors may be elected by written ballot provided, however, that any election of Directors must be by written ballot if demanded by any Member before the voting begins.

**(d) Solicitation of Written Ballots.** The Corporation shall distribute one written ballot to each Member entitled to vote; such ballots shall be mailed or delivered in the manner required by Article 6.4 herein for giving notice of special meetings. Solicitations of votes by ballot shall: (i) indicate the number of responses needed to meet the quorum requirement; (ii) state the percentage of approvals necessary to pass the measure(s); 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, and (B) provide the Members an opportunity to specify approval or disapproval of each proposal, if more than one proposal is set forth.

(e) **Quorum; Majority.** Approval by written ballot pursuant to this Article 6.9 shall be valid only when 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 the number of approvals equals or exceeds the number of votes that would be required to approve the proposal at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. For example, if there are twenty (20) Members, the quorum requirement is fifty percent (50%), and approval of a majority is required for the action that is the subject of the ballot, then at least ten (10) Members must return their ballot within the time period, and at least six (6) must vote approval. If only nine (9) Members returned a ballot, even if all nine (9) were in favor of the proposal, the proposal would not pass because the quorum requirement was not met.

(f) **Revocation.** No written ballot may be revoked after delivery to the Corporation or deposit in the mails, whichever first occurs.

(g) **Filing.** All such written ballots shall be filed with the Secretary of the Corporation and maintained in the corporate records.

#### **6.10 Record Date for Member Notice, Voting and Consents, and Other Action.**

(a) **To Be Determined by Board.** For the purposes of determining which Members are entitled to receive notice of any Member meeting, or are entitled to vote at a Member meeting, to give consent to corporate action without a meeting, or to take other lawful action, the Board may fix, in advance, a 'record date', which shall not be more than ninety (90) nor less than ten (10) calendar days before the date of any such meeting, nor more than sixty (60) calendar days before any such action without a meeting. Only Members of record on the date so fixed are entitled to notice, to vote, to give consents, or take other lawful action, as the case may be.

(b) **Failure of Board to Determine Record Date.**

(i) **Record Date for Notices of Meeting.** If the Board does not fix in advance the record date for the purpose of determining the Members entitled to notice of any meeting of Members, then the Members entitled to notice of a meeting are those who are Members at the close of business on the business day preceding the day notice is given, or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held. For example, if notice is given on Monday of a Member meeting to be held on Wednesday, then the record date for providing such notice is the preceding Friday. In this example, if the Members waive notice, the record date is Tuesday. A determination of Members entitled to notice of a meeting of Members shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting.

(ii) Record Date for Voting at a Member Meeting. If the Board does not fix in advance the record date for the purpose of determining the Members entitled to vote at a meeting of the Members, then the Members entitled to vote at a meeting are those who are Members on the day of the meeting who are otherwise eligible to vote or, in the case of an adjourned meeting, are Members on the day of the adjourned meeting who are otherwise eligible to vote.

(iii) Record Date for Written Consent to Action Without Meeting. If the Board does not fix the record date for determining the Members entitled to consent by written ballot to Board action in lieu of a meeting, when the Board has not taken prior action on the subject of the ballot, then the Members entitled to cast votes by written ballot are those who are Members on the day the first written ballot is mailed or solicited and who are otherwise eligible to vote.

(iv) Record Date for Other Actions. If the Board does not fix the record date for determining the Members entitled to exercise any rights in respect of any other lawful action, then the Members entitled to exercise any rights in respect of any other lawful action are those who are Members on the day the Board adopts the resolution relating thereto, or the 60th calendar day prior to the date of such other action, whichever is later.

(v) 'Record Date' Means as of the Close of Business. For purposes of this paragraph (b), a person holding membership as of the close of business on the record date shall be deemed the Member of record.

## **6.11 Proxies.**

(a) **Rights of Members.** Every Member entitled to vote shall have the right to do so either by its Representative or by one or more agents authorized by a written proxy, signed by the Representative and filed with the Secretary of the Corporation. A proxy shall be deemed signed if the names of the Member and the Representative are placed on the proxy (whether by manual signature, typewriting, electronic transmission, or otherwise) by the Representative.

(b) **Revocability.** A validly executed proxy shall continue in full force and effect unless revoked by (i) the Representative executing it (or, in the event that a successor Representative has been appointed by the Member, by the successor Representative), before the vote cast pursuant to that proxy, by a writing delivered to the Corporation stating that the proxy is revoked by a subsequent proxy executed by such Representative (or successor Representative, as the case may be) or (ii) by personal attendance and voting at a meeting by such Representative (or the successor Representative); provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy; and, provided, further, that the maximum term of any proxy shall be three (3) years from the date of execution. No proxy may be irrevocable.

(c) **Form of Solicited Proxies.** In any election of Directors, any form of proxy that is marked by a Member with the term 'withhold', or otherwise marked in a manner indicating that the

authority to vote for the election of Directors is withheld, shall not be voted either for or against the election of a Director. Failure to comply with this paragraph shall not invalidate any corporate election, but may be the basis for challenging the proxy at a meeting or by written ballot.

**6.12 Voting Rights.** Each Voting Member shall be entitled to cast one vote on any matter submitted to a vote of the Members.

## **Article VII Election of Directors**

### **7.1 Nominations and Solicitations for Votes.**

(a) **Nominations by Members.** Members may nominate candidates for Directorships from among the Member Representatives at any time before the sixtieth (60<sup>th</sup>) calendar day preceding the election. On timely receipt of a petition signed by the nominating Member or Members, the Secretary shall cause the names of the candidates named on it to be placed on the ballot. When directors are to be elected without a meeting but by written ballot in conformity with Section 7513 of the California Nonprofit Mutual Benefit Corporation Law, the nomination procedure may provide for a date for the close of nominations prior to the printing and distributing of the written ballots.

(b) **Nominations From the Floor.** If there is a meeting to elect Directors, any Member present at the meeting in person or by proxy (if proxies are permitted) may nominate a candidate or candidates for Directorships from among the Member Representatives.

(c) **Solicitation of Votes.** If more people are nominated for Directorships than can be elected, the election shall take place by means of a procedure that allows all nominees a reasonable opportunity to solicit votes and all Members a reasonable opportunity to choose among nominees. If after the close of nominations the number of people nominated for Directorships is not more than the number of Directors to be elected, the Corporation may without further action declare that those nominated and qualified to be elected have been elected.

(d) **Use of Corporate Funds to Support Nominee.** Without authorization of the Board, no corporate funds may be expended to support a nominee for Director if there are more people nominated for Director than can be elected.

**7.2 Vote Required to Elect Director.** Each Member may vote for as many candidates for Director as there are Directors to be elected. Cumulative voting shall not be permitted. Candidates receiving the highest number of votes shall be elected as Directors.

## **Article VIII Directors**

## **8.1 Powers.**

(a) **General Corporate Powers.** Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law and any limitations in the Articles of Incorporation and these Bylaws relating to action required to be approved by the Members, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised by or under the direction of the Board.

(b) **Specific Powers.** Without prejudice to their general powers, the Directors shall have the power to:

(i) Select and remove the Officers of the Corporation; prescribe any powers and duties for them that are consistent with the law, with the Articles of Incorporation, and with these Bylaws; and fix their compensation, if any;

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

(iii) Adopt, make, and use a corporate seal and alter the form of the seal; and

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

**8.2 Number of Directors.** The authorized number of Directors shall be not less than seven (7) and not more than twenty-one (21) persons. The exact number of Directors shall be specified, within those limits, by a resolution adopted by the Board.

## **8.3 Election and Term of Office of Directors.**

(a) Directors shall be elected at the Corporation's annual meeting of Members. Directors shall serve one-year terms.

(b) The Chair of the Board shall be elected annually by a majority vote of the Directors, including the newly elected Directors.

**8.4 Qualifications of Board Members.** Any Member Representative who (a) must have a senior enough position within such Corporate Member to understand and impact the Corporate Member's strategy relative to the standards established by the Corporation and (b) is eighteen (18)

years of age or older, may be nominated and elected to serve as a Director. Directors need not be residents of the State of California.

## **8.5 Vacancies.**

(a) **Events Causing Vacancy.** A vacancy on the Board shall be deemed to exist at the occurrence of any of the following:

- (i) The death, resignation, or removal of any Director;
- (ii) 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 the court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under Sections 7231 through 7238 of the California Nonprofit Mutual Benefit Corporation Law;
- (iii) The dissolution or liquidation of any Member with its Representative then-serving as a Director;
- (iv) Any Member with its Representative then-serving as a Director (A) applying for or consenting to the appointment of a receiver, trustee, custodian or liquidator of itself or any part of its property, (B) becoming subject to the appointment of a receiver, trustee, custodian or liquidator of itself or any part of its property, (C) making an assignment for the benefit of creditors, (D) instituting any proceedings under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, or filing a petition or answer seeking reorganization or an arrangement with creditors to take advantage of any insolvency law, or filing an answer admitting the material allegations of a bankruptcy, reorganization or insolvency petition filed against it, (E) becoming subject to any proceedings under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally, or having an order for relief entered against it in any proceeding under any bankruptcy, reorganization, receivership, insolvency or other similar law affecting the rights of creditors generally;
- (v) The failure of the Members, at any meeting of the Members at which any Director is to be elected, to elect the Director to be elected at such meeting; or
- (vi) An increase (A) in the maximum number of authorized Directors or (B) in the specified number of Directors within the authorized range.

(b) **Resignation.** Except as provided in this paragraph, any Director may resign, which resignation shall be effective on giving written notice to the Chair of the Board, the Vice Chair, or the Secretary, unless the notice specifies a later time for the resignation to become effective. No Director may resign when the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.

**(c) Removal.**

(i) Any Director may be removed, with or without cause, by the vote of the majority of the Members at a special Members' meeting called for that purpose, or at any regular meeting, provided notice of that meeting and of the removal question is given as provided in Article 6.4 herein. Any vacancy caused by the removal of a Director shall be filled as provided in Article VII herein.

(ii) Any Director who is terminated or resigns from his or her employment (with or without cause) with the Member for whom he or she serves as Representative shall automatically be removed as a Director of the Corporation on the effective date of such termination or removal.

(iii) If any Member fails to pay its dues within sixty (60) calendar days of the due date, then the Representative of such Member serving on the Board at that time (if any) shall automatically be removed as a Director of the Corporation on the sixtieth (60<sup>th</sup>) calendar day after such due date.

**(d) Filling of Vacancies.** Any vacancy created between Annual Meetings of the Members shall be filled by the vote of a majority of the Directors then in office for a term to expire at the next Annual Meeting of the Members. All vacancies as of the date of each Annual Meeting of the Members shall be filled by the Members in accordance with Article VII herein.

**8.6 Place of Meeting; Meeting by Telephone.** Regular meetings of the Board may be held at any place within or outside the State of California, as designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Special meetings of the Board may be held at any place within or outside of the State of California, as designated in the notice of meeting or, if not stated in the notice or if there is no notice, at the principal office of the Corporation. Notwithstanding the above provisions of this Article 8.6, a regular or special meeting of the Board may be held at any place consented to in writing by all Directors, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

**8.7 Annual Meetings.** The Board shall hold an annual meeting immediately following the annual meeting of Members for purposes of electing Officers, designating committees, and transacting regular business. Each newly elected Director shall waive notice of such annual meeting as provided in Article 8.8(c) herein.

**8.8 Special Meetings.**

**(a) Authority to Call.** The Chair of the Board, the Vice Chair, or any two (2) Directors may call special meetings of the Board for any purpose at any time.

(b) **Notice.** Notice of any special meeting of the Board shall be given to all Directors either by first-class mail at least four days in advance or by notice delivered personally or by electronic transmission at least forty-eight (48) hours in advance except that such notice may be waived by any Director as set forth in paragraph (c) below.

(c) **Waiver of Notice.** The transactions of any meeting of the Board, however called and noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present and (ii) 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. All waivers, consents, and approvals shall be filed with the Corporation records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about lack of adequate notice.

**8.9 Quorum.** A majority of the Board shall constitute a quorum for the transaction of business, except to adjourn as provided in Article 8.10 herein. Every act or decision done or made by a majority of the Directors present at a meeting held at which a quorum is present shall be regarded as the act of the Board, unless the Articles of Incorporation, these Bylaws, or the provisions of the California Nonprofit Mutual Benefit Corporation Law, particularly those provisions relating to the approval of contracts or transactions in which a director has a material financial interest (Section 7233), the loan or guaranty of an obligation of a director (Section 7233), and the indemnification of directors (Section 7237), provide for a greater percentage or different voting rules for approval of the matter by the Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of any Director, if any action taken is approved by at least a majority of the quorum required for meeting.

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

**8.11 Notice of Adjournment.** Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty four (24) hours, in which case notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment. Such notice may be waived in the same manner as set forth under Article 8.8(c) herein.

**8.12 Action Without Meeting; Unanimous Written Consent.** An action required or permitted to be taken by the Board may be taken without a meeting, pursuant to Section 7211(b) of the California Nonprofit Mutual Benefit Corporation Law, if all the Directors shall individually or collectively consent in writing to that action. The written consent or consents shall be filed with the minutes of the proceedings of the Board. The action by unanimous written consent shall have the same force and effect as a unanimous vote of the Directors. For purposes of this paragraph, ‘all the Directors’ does not include an ‘interested director’ as that term is defined in Section 5233 of the

California Nonprofit Mutual Benefit Law, insofar as it is made applicable pursuant to Section 7238 of said Law.

## **Article IX Committees**

**9.1 Committees of Directors.** The Board may, by resolution adopted by a majority of the Directors then in office, provided that a quorum is present, designate one or more committees, each consisting of two (2) or more Directors and no one who is not a Director, to serve at the pleasure of the Board. Any committee, to the extent provided in the resolution of the Board, shall have all or a portion of the authority of the Board, except that no committee, regardless of the Board resolution, may:

- (a) Fill vacancies on the Board or on any committee;
- (b) Amend or repeal the Articles of Incorporation or Bylaws or adopt new Bylaws;
- (c) Amend or repeal any resolution of the Board;
- (d) Designate any other committees of the Board or appoint the Directors who shall participate in any such committee; and/or
- (e) Approve any transaction (i) to which the Corporation is a party and as to which one or more Directors has a material financial interest or (ii) between the Corporation and one or more of its Directors or between the Corporation and any corporation or firm in which one or more of its Directors has a material financial interest.

**9.2 Technical Committees.** In order to support the objectives of the Corporation, the Board may establish and dissolve by resolution from time to time any number of technical committees, which shall not be committees of the Board. Technical committees may be comprised of Directors and non-Directors. Representatives of all Members and all Associate “Members” will be authorized to participate in all technical committees.

**9.3 Other Committees.** In order to support the objectives of the Corporation, the Board may establish and dissolve by resolution from time to time any number of other committees, which shall not be committees of the Board. Such other committees may be comprised of Directors and non-Directors. Representatives of all Members and all Associate “Members” will be authorized to participate all such other committees.

**9.4 Policies and Procedures.** Policies and procedures for the Corporation and the committees shall be established by the Board, provided that such policies and procedures shall comply with all applicable laws, and shall not operate illegally to exclude participation by Members and non-voting “members”.

**9.5 Meeting and Action of Committees.** The Board may adopt rules for any committee not inconsistent with the provisions of these Bylaws.

## **Article X Officers**

**10.1 Officers.** The Corporation shall have the following Officers: Chair of the Board, Vice Chair, Secretary, and Treasurer, and such other Officers as the Board may designate by resolution and appoint pursuant to Article 10.3 herein. Officers need not be Directors. One person may hold two or more offices, except those of Chair of the Board and Secretary, and Chair of the Board and Treasurer.

**10.2 Election of Officers.** The Board shall choose each Officer of the Corporation, except those appointed in accordance with the provisions of Article 10.3 herein. Each Officer appointed pursuant to this Article 10.2 shall serve at the pleasure of the Board, subject to the rights, if any, of any Officer under a contract of employment.

**10.3 Subordinate Officers.** The Board may appoint, and may authorize the Chair of the Board or any other Officer to appoint, any other Officers that the business of the Corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties determined from time to time by the Board.

**10.4 Removal of Officers.** Subject to rights, if any, under any contract of employment, any Officer may be removed, with or without cause, by the Board, at any regular or special meeting of the Board, or, except in the case of an Officer chosen by the Board, by an Officer on whom such power of removal has been conferred by the Board.

**10.5 Resignation of Officers.** Any Officer may resign at any time by giving written notice to the Board, the Chair of the Board, or the Secretary of the Corporation. Any resignation shall take effect at the date of receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it 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.

**10.6 Vacancies in Office.** A vacancy in any Office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that Office.

**10.7 Responsibilities of Officers.**

(a) **Chair of the Board.** The Chair of the Board shall set the agenda for Board and Member meetings, shall preside at all such meetings, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws. The Chair of the Board shall be the chief executive

officer of the Corporation. He or she shall have such powers and duties as may be prescribed by the Board or these Bylaws. The Chair of the Board shall be responsible to the Board, shall see that the Board is advised on all significant matters of the Corporation's business, and shall see that all orders and resolutions of the Board are carried into effect. The Chair of the Board shall be empowered to act, speak for, and otherwise represent the Corporation between meetings of the Board within the boundaries of policies and purposes established by the Board and as set forth in the Articles of Incorporation and these Bylaws. The Chair of the Board shall be responsible for keeping the Board informed at all times of staff performance as related to program objectives, and for implementing any personnel policies adopted by the Board.

**(b) Vice Chair.** In the absence or disability of the Chair of the Board, the Vice Chair shall perform all the duties of the Chair of the Board and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chair of the Board. The Vice Chair shall have such other duties as may from time to time be prescribed by the Board.

**(c) Secretary.** The Secretary shall attend to the following:

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

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

**(d) Treasurer.** The Treasurer shall be the chief financial officer of the Corporation and shall attend to the following:

(i) Books of Account. 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, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.

(ii) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit 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; shall disburse funds of the Corporation as may be ordered by the Board; shall render to the Chair of the Board and Directors, whenever they request it, an account of all financial 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 or these Bylaws. The Treasurer may delegate any of the foregoing duties.

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

## **Article XI Records and Reports**

**11.1 Maintenance of Articles and Bylaws.** The Corporation shall keep at its principal executive office the original or a copy of the Articles of Incorporation and the Bylaws as amended to date.

**11.2 Maintenance of Other Corporate Records.** The accounting books, records, and minutes of the proceedings of the Board and any committee(s) of the Board shall be kept at such place or places as designated by the Board, or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept in either written or typed form or in any other form capable of being converted into written, typed, or printed form.

**11.3 Inspection by Directors.** Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

**11.4 Annual Statement of Certain Transactions and Indemnifications.** The Corporation shall prepare and mail or deliver in writing to each Member and Director an annual statement of the amount and circumstances of any transaction or indemnification of the following kind:

(a) Any transaction(s) involving more than fifty thousand U.S. dollars (U.S. \$50,000) in the aggregate in which the Corporation was a party, or in which any Director or Officer of the Corporation had a direct or indirect financial interest.

(b) Any indemnifications or advances aggregating more than ten thousand U.S. dollars (U.S. \$10,000) paid during the fiscal year to any Officer or Director of the Corporation pursuant to Article XIII herein, unless such indemnification has already been approved pursuant to Article 13.1 herein.

**11.5 Annual Report.** The Corporation shall notify each Member annually of the Member's right to receive a financial report. Upon written request of a Member, the Board shall promptly cause the most recent annual report to be sent to the requesting Member. Such annual report shall be prepared

not later than 120 calendar days after the close of the Corporation's fiscal year. Such report shall contain in appropriate detail the following:

- (a) A balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position for such fiscal year.
- (b) A statement of the place where the names and addresses of the current Members are located.
- (c) Any information required by Article 11.4 herein.

The report required by this Article 11.5 shall be accompanied by any report thereon of independent accountants, or, if there is no such accountants' report, the certification of an authorized Officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation. The report may be delivered by electronic transmission.

## **Article XII**

### **Contracts and Loans with Directors and Officers**

**12.1 Contracts with Directors and Officers.** No Director or Officer of the Corporation, nor any other corporation, firm, association, or other entity in which one or more of the Corporation's Directors or Officers are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with the Corporation, unless: (a) the material facts regarding such Director's or Officer's financial interest in such contract or transaction and/or regarding such common directorship, officership, or financial interest are fully disclosed or are known to all Members prior to consideration by the Members of such contract or transaction, and the Members approve such contract or transaction (without the vote of any interested Member); (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 vote or votes of any interested Director(s), and the contract or transaction is just and reasonable as to the Corporation at the time authorized or ratified; or (c) the Corporation enters into the transaction for its own benefit, and the person asserting the validity of the contract sustains the burden of proving that the contract or transaction was just and reasonable to the Corporation at the time it was authorized or ratified.

**12.2 Loans to Directors and Officers.** The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or Officer, unless such loan or guaranty meets the requirements of Section 7235 of the California Nonprofit Mutual Benefit Corporation Law.

## **Article XIII**

### **Indemnification of Directors and Officers**

**13.1 Right to Indemnification.**

(a) **Right of Indemnity.** To the fullest extent permitted by the California Nonprofit Mutual Benefit Corporation Law, the Corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 7237(a) thereof, 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. To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Section 7237(b) or (c) of the California Nonprofit Mutual Benefit Corporation Law, or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith. ‘Expenses’, as used in this Bylaw, shall have the same meaning as in Section 7237(a) of the California Nonprofit Mutual Benefit Corporation Law.

(b) **Approval of Indemnity.** On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Nonprofit Mutual Benefit Corporation Law, the Board promptly shall determine under Section 7237(e) of the California Nonprofit Mutual Benefit Corporation Law whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification by a majority vote of a quorum consisting of Directors who are not parties to the proceeding. 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, then the Board promptly shall call a meeting of Members. At that meeting, the Members shall determine under Section 7237(e) whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Members present at the meeting in person or by proxy, with the persons to be indemnified not being entitled to vote thereon, shall authorize indemnification if such indemnification is approved by the Members. If the Members cannot authorize indemnification because the number of Members who are entitled to vote is less than the requisite quorum, then the court in which such proceeding is or was pending shall make the determination under Section 7237(e).

(c) **Advancement of Expenses.** To the fullest extent permitted by the California Nonprofit Mutual Benefit Corporation Law, and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under 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 as authorized by Section 7237 of the California Nonprofit Mutual Benefit Corporation Law.

(d) **Additional Indemnification.** No provision made by the Corporation to indemnify its Directors or Officers for the defense of any proceeding, whether contained in the Articles of Incorporation, Bylaws, a resolution of Members or Directors, an agreement, or otherwise, shall be valid unless consistent with the provisions of Section 7237 of the California Nonprofit Mutual

Benefit Corporation Law. Nothing contained in this Article 13.1 shall affect any right to indemnification to which persons other than such Directors and Officers may be entitled by contract or otherwise.

**13.2 Insurance.** The Corporation shall have the power and shall exercise its best efforts to purchase and maintain insurance on behalf of any Director, Officer or agent of the Corporation, against any liability asserted against or incurred by the Director, Officer, or agent in any such capacity or arising out of the Director's, Officer's, or agent's status as such, whether or not the Corporation would have the power to indemnify the agent against such liability under Article 13.1 herein; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any Director, Officer, or agent of the Corporation for any transaction, described in Section 7233(a) of the California Nonprofit Mutual Benefit Corporation Law which fails to qualify under paragraph (1), (2) or (3) of that statute.

**Article XIV  
Construction and Definitions**

**14.1 General.** Unless the context requires otherwise, the general provisions, rules of construction, and definitions set forth in Sections 5002 through 5080 of the California Nonprofit Corporation Law, as supplemented by the general provisions, rules of construction, and definitions set forth in Sections 1 through 21 of the General Provisions of the California Corporations Code, shall govern the construction of these Bylaws.

**Article XV  
Fiscal Year**

The fiscal year of the Corporation shall end on December 31 of each year.

**Article XVI  
Amendments**

These Bylaws may be adopted, amended or repealed by the vote of a majority of the Board, except to the extent that the California Nonprofit Mutual Benefit Corporation Law requires the approval of a majority of the Members.

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