

## **h. Committees**

### **(1) Committees of the Board**

The board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees 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.

(a) The actions of any such committees, including the expenditures of funds or signing of contracts, must first be approved by the board.

(b) Fill vacancies on the board or on any committee that has the authority of the board.

### **(2) Meetings and Action of Committees**

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

### **(3) Particular Board and Advisory Committees**

The bylaws may establish particular committees, e.g., an executive committee, audit committee, nominating committee, compensation committee, and finance committee.

If any committee is to have any non director committee members, it is not a committee of the board, and it should be clearly labeled an “advisory committee.” Unless the bylaws provide otherwise, the board may delegate management of the corporation’s activities to an advisory committee to the same extent that those powers could be delegated to anyone under Corp C Section 7210. If the committee does not exercise the authority of the board, Sections 5(h)(i) and 5(h)(2) need not apply to it.

## **6. Officers**

### **a. Officers of the Corporation**

The officers of the corporation shall be a president, a secretary, and a chief financial officer. The corporation may also have, at the boards 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 6(c) of these bylaws. Any number of offices may be held by the same person.

### **b. Election of Officers**

The officers of the corporation, except those appointed under Section 6(c) of these bylaws, shall be chosen annually by the board and shall serve at the pleasure of the board, subject to the rights, if any, of any officer under any contract of employment.

### **c. Other Officers**

The board 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.

### **d. Removal of Officers**

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

### **e. Resignation of Officers**

Any officer may resign at any time by giving written notice to the corporation. The resignation shall take effect as 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.

### **f. 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.

**g. Responsibilities of Officers**

**(1) Chairman of the Board**

If a chairman of the board is elected, he or she shall preside at board meetings 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 prescribed by these bylaws for the president of the corporation.

**(2) President**

Subject to such supervisory powers as the board may give to the chairman of the board, if any, and subject to the control of the board, the president shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. The president shall preside at all members' meetings and, in the absence of the chairman of the board, or if there is none, at all board meetings. The president shall have such other powers and duties as the board or bylaws may prescribe.

**(3) Vice Presidents**

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

**(4) 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, of committees of the board, and of members' meetings. 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, the names of those present at board and committee meetings, and the number of members present or represented at members' meetings. The secretary shall keep or cause to be kept, at the principal office in California, a copy of the articles of incorporation and bylaws, as amended to date.

**(b) Membership Records**

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

**(c) Notices, Seal, and Other Duties**

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

**(5) 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 members and directors such financial statements and reports as are required by law, by these bylaws, or by the board to be given. The books of account shall be open to inspection by any director at all reasonable times.

**(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 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.

**SEVEN: INDEMNIFICATION****a. 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.

**b. 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 shall promptly call a meeting of members. At that meeting, the members shall determine under Section 5238(e) whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification..

**c. Advancement of Expenses**

To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under Sections 7(a) and 7(b) 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.

**EIGHT: 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 and 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.

**NINE: Records and Reports****Membership of Corporate Records**

The corporation shall keep:

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

**b. Members' Inspection Rights****(1) Membership Records**

Subject to Division 2, Part 2, Chapter 13, Article 3 (commencing at Section 6330) of the California Corporations Code and unless the corporation provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

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

The corporation may, within ten 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 that the proposed alternative does not meet the proper purpose of the demand.

If the corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this Section, 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. Any right of inspection extends to the records of any subsidiary of the corporation.

**(2) Accounting Records and Minutes**

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

**c. Maintenance and Inspection of Articles and Bylaws**

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

**d. Inspection by Directors**

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

**e. Annual Report**

The board shall cause an annual report to be sent to the members and directors within 120 days after the end of the corporation's fiscal year. That report shall contain the following information, in appropriate detail, for the fiscal year.

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

(2) The principal changes in assets and liabilities, including trust funds.

(3) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes.

(4) The expenses or disbursements of the corporation for both general and restricted purposes.

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 and to any member who requests it in writing.

**f. Annual Statement of Certain Transactions and Indemnifications**

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

- (1) Any transaction (a) to which the corporation, its parent, or its subsidiary was a party, (b) which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (c) in which either of the following interested persons had a direct or indirect material financial interest:
- (a) Any director or officer of the corporation, its parent, or its subsidiary;
  - (b) Any holder of more than 10 percent of the voting power of the corporation, its parent, or its subsidiary.

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

## **TEN: CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural and the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

## **ELEVEN: AMENDMENTS**

### **a. Amendment by Board**

Subject to the rights of members under Section 11(a)(4) of these bylaws, the board may adopt, amend, or repeal bylaws unless the action would:

- (a) Materially and adversely affect the members’ rights as to voting, dissolution, redemption, or transfer;
- (b) Effect an exchange, reclassification, or cancellation of all or part of the memberships;
- (c) Authorize a new class of membership; or
- (d) Extend the term of a director beyond that for which the director was elected.

### **(2) Changes to Number of Directors**

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

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

### **(3) High Vote Requirement**

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

### **(4) Members’ Approval Required**

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

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

**b. Amendment by Members**

New bylaws may be adopted or these bylaws may be amended or repealed by approval of the members, provided, however, that any such adoption, amendment, or repeal also requires approval by the members of a class if that action would:

(1) Materially and adversely affect the rights, privileges, preferences, restrictions, or conditions of that class as to voting, dissolution, redemption, or transfer in a manner different than the action affects another class;

(2) Materially and adversely affect that class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class;

(3) Increase or decrease the number of memberships authorized for that class;

(4) Increase the number of memberships authorized for another class;

(5) Effect an exchange, reclassification, or cancellation of all or part of the memberships of that class; or

(6) Authorize a new class of memberships.

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

Any provision of these bylaws providing for the designation or selection, rather than election, of any director or directors may be adopted, amended, or repealed only by approval of the members subject to the consent of the person or persons entitled to designate or select any such directors.

**TWELVE: CERTIFICATE of SECRETARY  
CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of The National Dorymen's Association, a California nonprofit mutual benefit corporation, that the above bylaws, consisting of 27 pages, are the bylaws of this corporation as adopted by the board of directors on

June 18, 1992.

and that they have not been amended or modified since that date.

Executed on June 18, 1992 at Mission Viejo, California.

Carter Mudge  
Carter A. Mudge,  
Secretary

**APPOINTMENT OF INITIAL DIRECTORS OF  
THE NATIONAL DORYMENS ASSOCIATION**

The undersigned, being the sole incorporator of The National Dorymen's Association, elects Al Lavayen as the initial director of that corporation, with full power to take whatever action is needed to perfect the formation of that corporation.

Dated: June 18 1972

C. M. Long  
Incorporator