

2/2001

CONSTITUTION AND BYLAWS

OF

LA HABRA HEIGHTS IMPROVEMENT ASSOCIATION

A California Nonprofit Corporation

ARTICLE I

The name of this corporation shall be the La Habra Heights Improvement Association. The corporation may carry out its purposes, as described below, under any other name or names which may be approved from time to time by the Board of Directors.

ARTICLE II

OFFICES

Section 1. Principal Office

The principal office for the transaction of the business of the corporation ("principal executive office") is located at Los Angeles County, California. The directors may change the principal office from one location to another. Any change of this location shall be noted by the Secretary on these Bylaws opposite this section, or this section may be amended to state the new location.

ARTICLE III

OBJECTIVES AND PURPOSES

The purposes and objectives of this corporation are to interest and unite all property owners and residents of La Habra Heights, as a non partisan organization, for the purpose of maintaining a rural environment, of creating community interest, and a combined effective influence upon matters pertaining to the development and welfare of La Habra Heights.

To accomplish these purposes the corporation may receive, hold and disburse gifts, bequests, devises and other funds and may own and maintain or lease suitable real estate and buildings, and any personal property which is deemed necessary for these purposes; and enter into, make and perform and carry out contracts of any kind for any lawful purpose without limit as to amount.

## ARTICLE IV

### ACTIVITIES

This organization is organized exclusively for the charitable purposes within the meaning of section 501(c) (3) of the Internal Revenue Code.

"Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under section 501(c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation contributions to which are deductible under section 170 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law)."

## ARTICLE V

### DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to public, educational, or charitable purposes. No part of the net earnings, properties, or assets of this corporation, except on dissolution, shall inure to the benefit of any private person or individual, or any member or director of this corporation. On liquidation or dissolution, all properties and assets and obligations shall be distributed and paid over to an organization dedicated to charitable purposes, provided that the organization continues to be dedicated to the exempt purposes as specified in the Internal Revenue Code Section 501(c) (3).

## ARTICLE VI

### DIRECTORS

#### Section 1. Powers

1. General Powers. Subject to the provisions of these Bylaws, the business and affairs of the corporation shall be managed, and all powers shall be exercised, by or under the direction of the Board of Directors.

2. Specific Powers. Without prejudice to these general powers, and subject to the same limitations, the directors shall have the power to:

(a) Select and remove all officers, agents, and employees of the corporation; prescribe any powers or duties for

them that are consistent with law, and with these Bylaws; and fix their compensation.

(b) Change the principal executive office or the principal business office 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 members' meeting or meetings, including annual meetings.

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

3. Nomination and Election of Directors. The President shall designate a nominating committee that will develop a slate of candidates for the position of Director. The current Board of Directors shall vote on the slate and approve by simple majority vote. }

## Section 2. Number and Qualifications of Directors

1. Authorized Number. The authorized number of directors shall be as set by resolution of the directors but not less than three or more than fifteen. Directors shall be members of the corporation. Each director shall hold office for a term of three years and until his successor shall have been elected and qualified. Provided, however, that since it is contemplated that approximately one-third of the directors' terms are to expire each year, the Board, by resolution, may provide for directors with one or two year terms as may be necessary during any transition period.

2. Restriction on Interested Directors. Not more than 49% of the persons serving on the Board of Directors at any time may be interested persons. An interested person is: (1) any person being compensated by the corporation for services rendered to it within the previous 12 months, either as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (2) any brother, sister, ancestor, descendent, spouse, brother-in-law, sister-in-law, daughter-in-law, son-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation. }

## Section 3. Vacancies

1. Events Causing Vacancy. A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of any of the following: (a) the death, resignation or removal of any director; (b) the declaration by resolution of the Board of Directors of a vacancy of the office of a director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty to the corporation; (c) the failure of any director to attend three (3) consecutive Board meetings or five (5) total in any calendar year, subject, however to the power of the Board to reinstate such director within sixty (60) days.

2. Resignations. Except as provided in this paragraph, any director may resign, which resignation shall be effective on giving written notice to the Chairman of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the resignation becomes effective then. No director may resign when the corporation would then be left without a duly elected director or directors in charge of its affairs.

3. No Vacancy or 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.

4. Removal of Directors or Officers. Any or all directors may be removed without cause: if the corporation has fewer than fifty (50) members, by the vote of a majority of all members; or if the corporation has fifty (50) or more members, by the vote of the members.

#### Section 4. Place of Meetings; Meetings by Telephone

Regular meetings of the Board of Directors may be held at any place within the State of California that has been designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at a location determined by the Board of Directors. Special meetings of the Board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice or if there is no notice, at the location determined by the Board of Directors of the corporation. Notwithstanding the above provisions of this Section 5, a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all the board members, 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 communications 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.

#### Section 5. Regular Meetings

1. Regular Meetings. The annual meeting of the Board of Directors shall be held at the June meeting each year at a location to be set by the Board of Directors. W

2. Other Regular Meetings. Other regular meetings of the Board of Directors may be held at such time as the Board of Directors may from time to time designate.

#### Section 6. Special Meetings.

1. 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 or the President, or any Vice President, the Secretary, or any two directors.

#### 2. Notice.

(a) Manner of Giving. Notice of the time and place of special meetings shall be given to each director by one of the following methods: (a) by personal delivery or written notice; (b) by first-class mail, postage paid; (c) by telephone communication, either directly to the directors or to a person at the director's office who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.

(b) Time Requirements. Notices sent by first class mail shall be deposited into a United States mailbox at least four days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least 48 hours before the time set for the meeting.

(c) Notice Contents. The notice shall state the time and place for the meeting. However, it need not specify the purpose of meeting.

#### Section 7. Quorum

A majority of the actual number of directors, but not less than two or one fifth of the authorized number, whichever is greater, shall constitute a quorum for the transaction of business, except to adjourn, as provided in Section 10 of this Article VI. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors.

#### Section 8. Manner of Acting

The act of the majority of the directors present at a meeting which a quorum is present shall be the act of the directors.

#### Section 9. Newly Created Directorships and Vacancies

Newly created directorships resulting from an increase in the number of directors and vacancies occurring in the board for any reason may be filled by a vote of a majority of the directors then in office, although less than a quorum exists. A director elected to fill a vacancy caused by resignation, death or removal shall be elected to hold office for the unexpired term of his predecessor. The members may elect a director at any time to fill any vacancy not filled by the directors.

#### Section 10. Waiver of Notice

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) 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 the lack of adequate notice.

#### Section 11. Adjournment

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

#### Section 12. 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 24 hours, in which case notice of the time and place shall be given 48 hours before the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

#### Section 13. Action Without Meeting

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force

and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 14. Fees and Compensation of Directors

Directors and member of the committees may receive such compensation, if any, for their services and such reimbursement of expenses, as may be determined by resolution of the Board of Directors to be just and reasonable.

ARTICLE VII

COMMITTEES

Section 1. Committees of Directors

The Board of Directors may, by resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting to two or more directors, to serve at the pleasure of the Board. Any committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except that no committee, regardless of the board resolution, may;

1. Fill vacancies on the Board of Directors or in any committee established under this section;
2. Amend or repeal Bylaws or adopt new Bylaws;
3. Amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable;
4. Appoint any other committees of the Board of Directors;
5. Approve any transaction (a) to which the corporation is a party and one or more directors have a material financial interest; or (b) between the corporation and one or more of its directors or between the corporation or any person in which one or more of its directors have a material financial interest;
6. Approve any action which requires approval of the members; or
7. Approve the expenditure of the corporate funds to support a nominee for director after there are more people nominated than can be elected.

Section 2. Meetings and Action Committees

Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article V of these Bylaws, concerning meetings of directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Director and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees shall also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the associate records. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

### Section 3. Other Committees

The Board of Directors may designate one or more committees not having the authority of the Board. Section 1 of this Article VII shall not apply to such committees which may have such membership and duties as the Board may determine.

## ARTICLE VIII

### OFFICERS

#### Section 1. Officers

The officers of the corporation shall be a President, a Secretary, and a Chief Financial officer. The corporation may also have, at the discretion of the Board of Directors, 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 the provision of Section 3 of this Article VIII. 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.

#### Section 2. Election of Officers

The officers of the corporation, except those appointed in accordance with the provisions of Section 3 of this Article VIII shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board, subjects to the rights, if any, of an officer under any contract of employment.

#### Section 3. Subordinate Officers

The Board of Directors may appoint, and may authorize the Chairman of the Board or the President, or another 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 specified in the Bylaws or determined from time to time by the Board of Directors.

#### Section 4. Removal of Officers

Any officer may be removed, with or without cause, by the Board of Directors, at any regular or special meeting of the Board, or (except in the case of an officer chosen by the Board of Directors) by an officer on whom such power of removal may be conferred by the Board of Directors.

#### Section 5. Resignation of Officers

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

#### Section 6. Vacancies in Offices

A vacancy in any of the offices 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.

#### Section 7. Responsibilities of Officers

1. Chairman of the Board. If such an officer be elected, the Chairman of the Board shall preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Directors or prescribed by the Bylaws. If there is no President, the Chairman of the Board shall, in addition, be the Chief Executive Officer of the corporation and shall have the powers and duties prescribed in Paragraph (2) below. In the absence of the Chairman, the Board may elect a director to serve as a temporary Chairman.

2. President. Subject to such supervisory powers as may be given by the Board of Directors to the Chairman of the Board, if any, the President shall, subject to the control of the Board of Directors, generally supervise, direct, and control the business and the officers of the corporation. He shall execute, with the Secretary, in the name of the corporation all deeds, bonds,

contracts, and other obligations and instruments authorized by the Board of Directors to be executed. He shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

3. Vice Presidents. In the absence or disability of the President, a Vice President, if any, shall be designated by the Board of Directors to perform all the duties of the President, and when so acting shall have all the powers of, and be subject to, all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or the Chairman of the Board.

4. Secretary. The Secretary shall attend to the following:

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

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

5. Chief Financial Officer. The Chief Financial Officer shall attend to the following:

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

(b) Deposit and Disbursement of Money and Valuables. The Chief Financial Officer 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 of Directors; shall disburse the funds of the corporation as may be ordered by the Board of Directors; shall render to the President and

Directors, whenever they request it, an account of all of his transactions as Chief Financial Officer and of the financial condition of the corporation; and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

(c) Bond. If required by the Board of Directors, 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 his office and for restoration to the corporation of all its books, papers, vouchers, money and other property of every kind in his possession or under his control on his death, resignation, retirement, or removal from office.

## ARTICLE IX

### Section 1. Insurance

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this corporation would have the power to indemnify the agent against that liability.

### Section 2. Fiduciaries or Corporate Employee Benefit Plan

This Article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the corporation as defined in Section 1 of this Article. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager, or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law.

## ARTICLE X

### Section 1. 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 and each of its subsidiary corporations. 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.

### Section 2. Annual Report

The annual report shall be sent to the directors by the Chief Financial Officer not later than 120 days after the close of the corporation's fiscal year. Such report shall contain in appropriate detail the following information, duly certified by the Chief Financial Officer.

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, during the fiscal year.

3. The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

4. The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

5. Any information required by California Corporations Code, Section 6322. \*

The above report shall be accompanied by any report thereon of independent accountants or, if none exists (and none is required), the certificate by the Chief Financial Officer shall state that the report was prepared without audit from the books and records of the corporation. In any year in which the corporation has \$35,000.00 or more in gross receipts or revenues, the above report shall also be sent to the members, and, in any case, to any member who requests the report in writing. ✓

## ARTICLE XI

### AMENDMENTS

Amendments of these Bylaws may be proposed at any meeting of the Board of Directors or of the members of the corporation. Bylaws may be adopted, amended or repealed by the Board unless the Action would materially and adversely affect the rights of members as to voting or transfer. Bylaws may also be adopted, amended or repealed by the members. }

## ARTICLE XII

### MEMBERSHIP

#### Section 1. Eligibility

All property owners and residents of the City of La Habra Heights and such other persons who may be designated by the Board of

Directors are eligible for membership in the corporations, subject to approval by the Board of Directors and such rules and regulations for membership as may be promulgated by the Board.

## Section 2. Termination of Members

Any member may also be terminated by the Directors for cause. Such cause shall include but not be limited to: failure to comply with the Corporations Rules or Bylaws; conduct detrimental to the stated purposes and goals of the corporation; or failure to pay such dues as may be required by the Board of Directors.

1. Procedure for Termination. Should the Board of Directors determine that termination of a member or members is called for, the following procedure shall be followed, except that for failure to pay dues, only the provisions of paragraphs (a) and (c) below need to be followed:

(a) A written notice shall be delivered personally or sent by first class mail, postage prepaid, to the most recent address of the member as shown on the Corporation's records setting forth the proposed grounds for discipline. Such notice shall be sent at least fifteen (15) days before the date upon which the Board or the committee of the Board proposes to act upon the termination. The notice to the member of this meeting shall state the date, time and place of the meeting;

(b) The member being terminated shall be given an opportunity to be heard, either orally or in writing, at the option of the Board, at or before the meeting specified in the notice of proposed termination;

(c) Following the meeting the Board or the committee of the Board shall decide whether or not the member should be terminated. Notice of this termination shall be sent to the member in the same manner as the notice of the meeting. The determination of the Board or the committee shall be final.

## Section 3. Transfer of Membership

No member may transfer for value a membership or any rights arising from it. All rights of membership cease on the member's death, if any individual, or upon the member ceasing to meet the criteria for eligibility for membership.

## Section 4. Voluntary Termination

Members shall give written notice of voluntary termination of membership to the Board of Directors including date effective to avoid further financial obligation.

ARTICLE XIII

MEETINGS OF MEMBERS

Section 1. Place of Meeting

Meetings of the membership shall be held at any place within or outside of the State of California designated by the Board of Directors. In the absence of any such designation, members' meetings shall be held at a location determined by the Board of Directors.

Section 2. Annual Meeting

The annual meeting of members shall be held each year in June at a location designated by the Board of Directors.

Section 3. Special Meeting

1. Authorized Persons Who May Call. A special meeting of the members may be called at any time by any of the following: the Board of Directors, the President, or by 15 percent or more of the members whose dues are current.

2. Calling Meetings by Members. If a special meeting is called by members other than the president, 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 telegraphic or other facsimile transmission to the President, a Vice President, or the Secretary of the Corporation. The officer receiving the request shall cause notice to be promptly given to the members entitled to vote, in accordance with the provisions of Section 4 and 5 of this Article XIII, that a meeting will be held and the date for such meeting, which date shall be not less than 35 nor more than 90 days following the receipt of the request. If the notice is not given within the 20 days after receipt of the request, the persons requesting the meeting may give the notice. Nothing contained in this subsection 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 of Directors.

Section 4. Notice of Members' Meeting

1. General Notice Contents. All notices of meetings of members shall be sent or otherwise given not less than 10 nor more than 90 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 nature of the business, to be transacted; and no other business may in that case be transacted, or (ii) in the case of the annual meeting, those matters which the

Board of Directors, at the time of giving notice, intends to present for binding action by the members.

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

3. Manner of Giving Notice. Notice of any meeting of members at which a vote is to be taken may be given either personally or by first-class mail, telegraphic or other electronic 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 the notice. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication.

#### Section 5. Quorum

1. Percentage Required. One-third (1/3) of the members present in person shall constitute a quorum for the transaction of business at a meeting of the members.

2. Loss of Quorum. The members 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.

Any members' meeting, regular General, annual or special, whether or not a quorum is present, may be adjourned by the vote of the majority of the members represented at the meeting. But in the absence of a quorum, no other business may be transacted at that meeting, except as provided in this Article.

#### Section 6. Voting

1. Eligibility to Vote. Persons entitled to vote at any meeting of members shall be voting members in good standing whose dues are current.

2. Manner of Casting Votes. Voting may be by voice or ballot. All votes of the members shall be advisory unless the Board of Directors shall declare by resolution that the vote on a particular matter shall be binding and so notify the members in the notice of meeting or written ballot. Cumulative voting shall not be permitted.

3. 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 shall be in the act of the members.

Section 7. Waiver of Notice or Consent by Absent Members

Written Waiver or Consent. The transactions 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 or notice, if a quorum be present, and if, either before or after the meeting, each person entitled to vote, signs a written waiver of notice or a consent to 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 meeting of members.

Section 8. Action by Written Consent Without a Meeting

Any action that may be taken at any annual or special meeting of members may be taken without a meeting and without prior notice if written ballots are received from a number of members at least equal to the quorum applicable to a meeting of members. All such written ballots shall be filed with the Secretary of the corporation and maintained in the corporation records. All solicitations of ballots shall indicate the time by which the ballot must be returned to be counted.

Section 9. Record Date for Member Notice, Voting, and Giving Consents

1. To Be Determined by Board of Directors. For the purposes of determining which members are entitled to receive notice of any meeting, to vote, or to give consent to corporate action without a meeting, the Board of Directors may fix, in advance, a "record date" which shall not be more than 60 nor fewer than fewer than ten (10) days before the date of any such meeting, nor more than 60 days before any such action without a meeting. Only members of record on the date so fixed are entitled to notice, to vote, or give consents, as the case may be, notwithstanding any transfer of any membership on the books of the corporation after the record date.

2. Failure of Board to Determine Date

(a) RECORD DATE FOR NOTICES OR VOTING. Unless fixed by the Board of Directors, the record date for determining those members entitled to receive notice of, or to vote at, 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.

(b) RECORD DATE FOR WRITTEN CONSENT TO ACTION WITHOUT MEETING. Unless fixed by the Board, the record date for determining those members entitled to vote by ballot on corporate action without a meeting, when no prior action by the board has been taken, shall be the day on which the first written consent is given. When prior action of the Board has been taken, it shall be the day on which the Board adopts the resolution relating to that action.

(c) "RECORD DATE" MEANS AS OF THE CLOSE OF BUSINESS. For the 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.

#### ARTICLE XIV

##### 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 above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the corporation and a natural person.