

**BYLAWS  
OF  
THE CALIFORNIA GROUND TRANSPORTATION REGULATORY GROUP**

**ARTICLE I  
NAME**

The name of the corporation is the California Ground Transportation Regulatory Group (the "**Corporation**").

**ARTICLE II  
NOT FOR PROFIT CORPORATION**

The Corporation is a corporation organized under the provisions of The California Nonprofit Mutual Benefit Corporation Law (the "**Act**").

**ARTICLE III  
PURPOSE**

The purpose of the Corporation shall be to act as a central hub, bringing together California state agencies: Legislature, California Public Utilities Commission ("**CPUC**"), California Highway Patrol ("**CHP**"), California regional Airports, Department of Insurance and the Governor's office, chauffeured transportation companies, industry experts and representatives through advocacy and education, to address the diverse needs and challenges of California's ground transportation sector.

**ARTICLE IV  
PROHIBITED ACTS**

Section 1. Activities Prohibited by the Act.

Section 2. Activities Inconsistent with Section 501(c)(6) of the Internal Revenue Code of 1986 (the "**Code**").

Section 3. The Corporation shall not carry on any activity not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986 or corresponding section of any future federal tax code (the "**Code**").

Section 4. Legislative Activities. The Corporation may carry on propaganda, or otherwise attempt to influence legislation only to the extent permitted by Section 501(c)(6) of the Code. None of the activities of the Corporation shall consist of participating in, or intervening in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

Section 5. Use of Receipts. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its Members, Directors, Officers, or

other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in ARTICLE III.

Section 6. Upon dissolution of the Corporation, its assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(6) of the Code. Any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Section 7. Private Interests. The Corporation may not be operated for the benefit of any private interest. Additional Powers. The Corporation also has such powers as are now or may hereafter be granted by the California Nonprofit Mutual Benefit Corporation Law, as amended, that are in furtherance of the Corporation's exempt purposes within the meaning of section 501(c)(6) of the Internal Revenue Code of 1986 or the corresponding sections of any future federal tax code.

## **ARTICLE V OFFICES**

The Corporation shall have and continuously maintain in the State of California a registered office and a registered agent whose office is identical with such registered office, and may have other offices within the State of California as the Board of Directors (the "**Board**") may from time to time determine.

## **ARTICLE VI MEMBERS**

Section 1. Voting Members. The Voting Members of the Corporation shall be the then serving Directors of the Corporation, together with such persons who or organizations which satisfy the membership criteria for becoming a Voting Member as may be adopted from time to time by the Board. The Voting Members shall have the right to elect Directors and vote on any other matter submitted to the Voting Members by the Board. The vote by the Voting Members at any regular or special meeting of the Voting Members shall bind the Corporation.

## A. Meetings of Members

- i. Annual Meeting. An annual meeting of the Voting Members of the Corporation shall be held in the month of November each year, commencing in November, 2024, the date, time and place to be determined by the Board.
- ii. Special Meetings. Special meetings of the Voting Members may be called by the President or the Board.

B. Notice of Voting Members Meetings. Written notice stating the place, day, and hour of the meeting shall be delivered not less than five (5) nor more than sixty (60) days before the date of the meeting, or in the case of a removal of one or more Directors, a merger, consolidation, dissolution or sale, lease or exchange of assets not less than 20 nor more than 60 days before the date of the meeting, by or at the direction of the President, or the Secretary, or the officer or persons calling the meeting, to each Voting Member.

C. Waiver of Notice. Whenever any notice is required to be given of Voting Members meetings, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

D. Informal Action by Voting Members. Any action required to be taken or which may be taken at a meeting of the Voting Members may be taken without a meeting and without a vote, if a consent in writing, setting forth the action so taken, shall be signed either: (i) by all of the Voting Members or (ii) by the Voting Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Voting Members were present and voting.

E. Telephonic Participation. Voting Members may participate in and act at any meeting of Voting Members through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other as provided by the applicable provisions of the Act. Participation in such a meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

F. Proxies. Each Voting Member entitled to vote either at a meeting of Voting Members or by Informal Action by Voting Members may authorize another person or persons to act for him or her by proxy, but no such proxy shall be

voted or acted upon after eleven months from its date, unless the proxy provides for a longer period.

G. Quorum of Voting Members. One-tenth of the Voting Members present at the time of a meeting, either in person or by proxy, shall be a quorum for the transaction of business; provided, however, that if less than one-tenth of the Voting Members are present at any meeting, a majority of the Voting Members present may adjourn the meeting from time to time, and the Secretary shall give notice to the absent Voting Members of the time and place of the adjourned meeting. The act of the majority of the Voting Members present at a meeting at which a quorum is present shall be the act of the Voting Members, except where otherwise provided by Act, the Articles of Incorporation of the Corporation or these Bylaws.

Section 2. Subscription Members. Subscription membership shall be available to individuals, partnerships, organizations, or entities that wish to support the Corporation's activities and initiatives on terms and conditions selected from time to time by the Board. Subscription Members shall have access to certain benefits and resources as determined by the Corporation, such as newsletters, educational materials, industry updates, seminars and networking opportunities, but shall not be Voting Members.

Section 3. Classes of Subscription Members:

A. Operator Member: Any individual, partnership or corporation holding an active authority from the CPUC to conduct operations in the State of California. Subscription Members may be represented by an officer, director, employee or other designated representative of the Operator Member.

B. Associate Member: Any person, firm or corporation engaged in the business of manufacturing, selling, servicing, or selling products or professional services to the chauffeured ground transportation industry may be entitled to become an Associate Member.

Section 4. Rights and Responsibilities. Subscription Members shall:

A. Have the right to participate in Corporation activities, attend education meetings, seminars and provide input on matters related to the regulation of ground transportation services.

B. Comply with the Corporation's bylaws, policies, decisions, and the Code of Ethics of the Corporation set forth in Section 6 below.

C. Pay any applicable membership fees or dues, as determined by the Board.

## Section 5. Termination or Resignation of Subscription Membership:

A. A Subscription Membership may be terminated for non-payment of fees, violation of the Corporation's bylaws or policies, or conduct detrimental to the Corporation's objectives, as determined by the Board.

B. A terminated Subscription Member shall be given written notice of termination and an opportunity to be heard by the Board before a final decision is made.

C. A Subscription Member may withdraw from membership by giving written notice of withdrawal to the Board by regular mail or email.

Section 6. Code of Ethics: Subscription Members recognize and acknowledge the need to provide services in a professional manner and to act toward the California State agencies and our industry colleagues with the highest degree of integrity. Members will adhere to the Code of Ethics set forth below.

A. A Subscription Member shall:

- i. Integrity and Professionalism. Conduct itself with honesty, integrity, and professionalism in all interactions and dealings within the ground transportation industry.
- ii. Ethical Standards. Uphold the highest ethical standards and avoid any actions that may compromise the reputation or integrity of the Corporation or the chauffeured ground transportation industry.

B. Compliance with Regulations and Laws.

- i. Comply with all applicable laws, regulations, and policies related to ground transportation services in the State of California.
- ii. Stay updated on relevant legislation and ensure its operations align with the requirements set forth by regulatory authorities.

C. Safety and Quality of Service.

- i. Shall prioritize the safety and well-being of passengers, drivers, and the general public.
- ii. Maintain and operate its vehicles in accordance with safety standards set by the CPUC, CHP and other relevant authorities.
- iii. Provide high-quality and reliable transportation services, ensuring passenger comfort, satisfaction, and timely delivery.

D. Fairness and Non-Discrimination.

- i. Treat all passengers, employees, and other industry stakeholders with fairness, respect, and dignity, irrespective of their race, color, religion, gender, nationality, disability, or any other protected characteristic.
- ii. Not engage in any form of discrimination, harassment, or unfair business practices.

Section 7. General Meetings/ Seminars- of the Subscription Members

A. The Corporation shall hold in-house or virtual meetings or seminars to discuss matters related to the regulation and oversight of ground transportation services.

B. Additional in-house or virtual meetings may be called by the President, a majority of the Board, or upon written request by a specified number of Subscription Members.

**ARTICLE VII  
ANNUAL SUBSCRIPTION MEMBERSHIP DUES:**

The annual dues for each classification of Subscription Membership shall be determined from time to time by resolution of the Board. Changes in such annual dues shall become effective on the first day of the next following dues period.

**ARTICLE VIII  
BOARD OF DIRECTORS**

Section 1. The affairs of the Corporation shall be governed by its Board of Directors.

Section 2. Number, Term, Qualifications and Election.

A. The number of Directors of the Corporation shall be not less than three (3), nor more than five (5). The initial members of the Board shall be the individuals identified in the Articles of Incorporation of the Corporation.

B. There shall be three (3) classes of Directors. The initial terms of Directors shall be established so that the term of office of one-third (1/3) of the sitting Directors shall expire at each Annual Meeting of voting Members. Thereafter, Directors the terms of whom are expiring shall be elected at each such Annual Meeting by majority vote of the Voting Members for a term of three (3) years. Each Director shall hold the position until his/her successor shall be elected and qualified.

C. Qualifications- Directors shall be individuals with relevant expertise, experience and a demonstrated commitment to the mission and goals of the Corporation. They should have a good understanding of the ground transportation industry, legal and regulatory frameworks, and the needs of various stakeholders. No person who is a paid employee of the Corporation shall be eligible to serve as a Director.

Section 3. Regular Meetings. A regular annual meeting of the Board for the purpose of electing officers of the Corporation and for such other business as shall come before the meeting shall be held without other notice than this bylaw, immediately after, and at the same place as, the Annual Meeting of Voting Members. In addition, the Board all meet at regularly scheduled intervals, at least quarterly during the fiscal year.

Section 4. Special Meetings. A special meeting of the Board may be called by the President or upon the written request of two (2) Directors.

Section 5. Notice of Meetings. Written notice stating the place, day, and hour of the meeting shall be delivered not less than five (5) nor more than sixty (60) days before the date of the meeting, or in the case of a removal of one or more Directors, a merger, consolidation, dissolution or sale, lease or exchange of assets not less than twenty (20) nor more than sixty (60) days before the date of the meeting, by or at the direction of the President, or the officer or persons calling the meeting to each Director. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at such member's address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 6. Notice may be waived by a Director, either before or after the meeting. Attendance at any meeting, except for the express purpose of objecting to the transaction of business at the meeting because it is unlawfully called or convened, shall constitute a waiver of required notice.

Section 7. Quorum. One-half of the Directors sitting at the time of a duly called meeting shall be a quorum for the transaction of business; provided, however, that if less than a quorum of the sitting Directors shall be present at any meeting, a majority of the Directors present may adjourn the meeting from time to time, and the Secretary shall give notice to the absent Directors of the time and place of the adjourned meeting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by the Act, the Articles of Incorporation of the Corporation or these Bylaws. A Director who is present at a meeting of the Board at which action on any matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the

secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 8. Action by Unanimous Written Consent. Any action required to be taken at a meeting of the Board or any committee of the Board, or any other action which may be taken at a meeting of the Board or any committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the Directors entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be. Any such consent signed by all the Directors or all the members of such committee shall have the same effect as a unanimous vote, and may be stated as such in any document filed with the Secretary of State.

Section 9. Telephonic Participation. Members of the Board or any committee of the Board may participate in and act at any meeting of such Board or committee through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other as provided by the applicable provisions of the Act. Participation in such a meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

Section 10. Resignations. Any Director may resign at any time by giving a written notice to the Board of Directors, President or Secretary. A resignation is effective when the notice is delivered unless the notice specifies a future date.

Section 11. Vacancies. Any vacancy occurring in the Board shall be filled by the Board. A Director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor.

Section 12. Removal. One or more Directors may be removed with or without cause by the affirmative vote of two-thirds (2/3) of the Voting Members present at a meeting of Voting Members. No Director shall be removed unless the written notice of the meeting is delivered to all Voting Members. Such notice shall state that a purpose of the meeting is to vote upon the removal of one or more Directors named in the notice. Only the named Director or Directors may be removed at such meeting.

Section 13. Compensation. Directors as such shall not receive any compensation for their services as Directors; provided, that nothing herein contained shall be construed to preclude any Director from being reimbursed for expenses reasonably incurred on behalf of the Corporation.

## **ARTICLE IX ADVISORY BOARD**

The Board of Directors may establish an Advisory Board to consist of qualified individuals, to be appointed by the President with the advice and consent of the Board, who might further the work of the Corporation through their advice, counsel and support. Any such appointment shall be honorary, shall not entitle the appointee to a vote on the Board, and shall be for a one (1) year term, renewable from year to year. There shall be no limit upon the number of terms which may be served by a member of the Advisory Board.

## **ARTICLE X OFFICERS**

Section 1. The officers of the Corporation shall include a President, such Vice Presidents as the Board may, from time to time, appoint, a Secretary, a Treasurer and such additional and subordinate Officers as may be appointed pursuant to Section 1.A.vi below.

A. The Officers shall have specific duties and responsibilities as set forth below.

- i. President. The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation, subject, always, to the oversight and control of the Board. The President shall (i) be in charge of the business of the Corporation; (ii) see that the resolutions and directions of the Board are carried into effect except in those instances in which that responsibility is specifically assigned to some other person by the Board; and, (iii) in general, discharge all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time. The President shall preside at all meetings of the shareholders and of the Board. The President shall be an ex-officio member of all committees of the Board. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Act, the Board or these Bylaws, the President may execute for the Corporation membership certificates, and any contracts, deeds, mortgages, bonds, or other instruments which the Board has authorized to be executed, and he may accomplish such execution either under or without the seal of the Corporation and either individually or with the Secretary, any assistant Secretary, or any other officer thereunto authorized by the Board, according to the requirements of the form of the instrument. The President may vote all securities which the Corporation is entitled to vote except as and to the extent such

authority shall be vested in a different officer or agent of the Corporation by the Board.

- ii. Vice President. If the Board shall have created such office, in the absence of the President or in the event of his/her inability or refusal to act, the Vice President, (or in the event there be more than one Vice-President, the Vice-Presidents in the order designated) shall perform the duties of the President, and when so acting, shall have all powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him/her by the President or the Board.
- iii. Secretary. The Secretary shall keep the minutes of the meetings of the Voting Members and the Board and committees of the Board; see that all notices are duly given in accordance with the provisions of the law and these By-Laws; be custodian of the corporate records and of the seal of the Corporation; keep at the principal office of the Corporation a record giving names and addresses of Voting Members; certify the Bylaws, resolutions of the Voting Members and Board and committees of the Board, and other documents of the Corporation as true and correct copies thereof; deposit and transfer funds under the direction of the Treasurer; help coordinate all phases of the activities of the Corporation.
- iv. Treasurer. The Treasurer shall be the chief financial officer of the Corporation. The Treasurer shall have custody of all the funds and securities of the Corporation, subject to the consent of the Board. The Treasurer shall furnish such surety bonds as the Board may deem necessary, the cost to be paid by the Corporation. When necessary and proper, the Treasurer shall endorse on behalf of the Corporation all checks, notes or other obligations and evidences of the payment of money payable to the Corporation, coming into his/her possession, and shall deposit the funds arising therefrom, together with all other funds of the Corporation coming into his/her possession, in such banks as may be selected by the Board as the depositories of the Corporation, or properly care for them in such other manner as the Board may direct. Except where the Board has delegated authority to the President or other officer to sign checks of disbursement for amounts within limits specified by the Board, the Treasurer shall sign all checks of disbursement, which shall be further countersigned by one other officer. The Treasurer shall prepare and submit a complete and true financial report at each Annual Meeting of the Board, including a statement of cash account and of the securities and

other property in his/her possession, custody or control. The Treasurer shall enter regularly, in books belonging to the Corporation and to be kept by him/her for such purpose, a full and accurate account of all money received and paid by him/her on account of the Corporation. The Treasurer shall oversee and assist with the annual audit and annual filing of required state and federal forms. The Treasurer shall perform all duties which are incident to the office of Treasurer of the Corporation, subject, however, at all times to the direction and control of the Board.

- v. Delegation to Employees. Officers may, with the approval of the Board, delegate ministerial tasks to an administrator or other employee of the Corporation, but officers shall remain ultimately responsible for the proper performance of their duties.
- vi. Additional and Subordinate Officers. The Board may appoint such assistant secretaries, assistant treasurers and other additional and subordinate officers as it may deem desirable. Each such officer shall hold office for such period, have such authority and perform such duties as the Board may prescribe. The Board may, at any time and from time to time, authorize any officer to appoint and remove subordinate officers and prescribe the powers and duties thereof.
- vii. Additional Authorities and Duties and Restrictions Thereon. The Board may, at any time and from time to time, for a limited or unlimited period, grant to or impose upon any officer (including any assistant officer or subordinate officer) authorities or duties additional to those specified in these Bylaws. The Board may also, at any time and from time to time, for a limited or unlimited period, restrict the authority and duties otherwise appurtenant to any office.

B. Terms of Office- Directors shall serve for a term of three (3) years, and until their successors shall have been elected and qualified, with the possibility of reappointment for additional terms.

C. Removal and Vacancies-An Officer may be removed from office for just cause, or other reason deemed appropriate by the Board, by a majority vote of the Directors. In the event of a vacancy, the Board shall have the authority to appoint a replacement Officer to serve the remainder of the term of the removed Officer.

## **ARTICLE XI AMENDMENTS**

Section 1. These Bylaws may be amended by repeal and new and additional Bylaws may be made from time to time at any time by resolution adopted by a majority of the Members or by the written assent of the members. Subject to right of the Voting Members to amend or repeal, these Bylaws (other than a Bylaw or amendment of a Bylaw changing the authorized number of Directors) may be amended or repealed by the Board in the exercise of the power granted to the Board in these Bylaws.

Section 2. Record of Amendments. Whenever an amendment or new Bylaw is adopted, it shall be placed in the appropriate place in the records of the Corporation with the original Bylaws. If any Bylaw is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in the Book.

## **ARTICLE XII INDEMNIFICATION OF AGENTS OF THE CORPORATION**

Section 1. Definitions. For purposes of this Article, the following terms have the following meanings:

A. The term “agent” means any person who is or was a Director, Officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, Officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the Corporation or of another enterprise at the request of the predecessor corporation.

B. The term “proceeding” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and “expenses” includes, without limitation, attorney fees and any expenses of establishing a right to indemnification under Section 4 or Section 5.B of this Article.

Section 2. Indemnification in Actions by Third Parties. The Corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure judgment in its favor, an action brought under Corporations Code section 5233, made applicable pursuant to Corporations Code section 7238, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) because that person is or was an agent of the Corporation, against expenses, judgments, fines, settlements, and other

amounts actually and reasonably incurred in connection with the proceeding if the person acted in good faith and in a manner the person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of the person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. Indemnification in Actions by or in the Right of the Corporation. The Corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of the Corporation or brought under Corporations Code section 5233, made applicable pursuant to Corporations Code section 7238, or an action brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor because that person is or was an agent of the Corporation, against expenses actually and reasonably incurred by the person in connection with the defense or settlement of the action if the person acted in good faith, in a manner the person believed to be in the best interests of the Corporation and with the care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3:

A. In respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable to the Corporation in the performance of the person's duty to the Corporation, unless and only to the extent that the court in which the proceeding is or was pending shall determine on application that, in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for the expenses which the court shall determine;

B. Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

C. Of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

Section 4. Indemnification Against Expenses. To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Section 2 or Section 3 of this Article 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.

Section 5. Required Indemnification. Except as provided in Section 4 of this Article, indemnification under this Article shall be made by the Corporation only if authorized in the specific case, on a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or Section 3 by:

A. A majority vote of a quorum consisting of Directors who are not parties to the proceeding; or

B. The court in which the proceeding is or was pending, on application made by the Corporation or the agent, attorney or other person rendering services in connection with the defense, whether or not the application by the agent, attorney, or other person is opposed by the Corporation.

Section 6. Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 7. Other Indemnification. No provision made by the corporation to indemnify its or its subsidiary's Directors or Officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of Directors, an agreement or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article shall affect any right to indemnification to which persons other than the Directors and Officers may be entitled by contract or otherwise.

Section 8. Forms of Indemnification Not Permitted. No indemnification or advance shall be made under this Article, except as provided in Section 4 or Section 5.B in any circumstances where it appears:

A. That it would be inconsistent with a provision of the Articles of Incorporation, these Bylaws, a resolution of the members or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

B. That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 9. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in the capacity as an agent or arising out of the agent's status as an agent whether or not the corporation would have the power to indemnify the agent against the liability under the provisions of this Article; provided, however, that the Corporation shall have no power to purchase and maintain insurance to indemnify any agent of the corporation for a violation of Corporations Code Section 5233, made applicable by Corporations Code [Section 7238](#).

Section 10. Nonapplicability to Fiduciaries of Employee Benefit Plans. This Article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in the person's capacity as such, even though the person may also be an agent of the corporation as defined in Section 1 of this Article. The Corporation shall have power to indemnify the trustee, investment manager or other fiduciary to the extent permitted by Corporations Code section 207(f).

### **ARTICLE XIII RECEIPT, INVESTMENT, AND DISBURSEMENT OF FUNDS**

Section 1. Receipt The Corporation shall receive all monies, other properties, or both monies and properties, transferred to it for the purposes for which the corporation was formed (as shown by the Articles of Incorporation). However, nothing contained herein shall require the Board of Directors to accept or receive any money or property of any kind if it shall determine in its discretion that receipt of the money or property is contrary to the expressed purposes of the Corporation as shown by the Articles of Incorporation.

Section 2. Investment. The corporation shall hold, manage, and disburse any funds or properties received by it from any source in a manner that is consistent with the expressed purposes of the Corporation.

Section 3. Disbursement. No disbursement of Corporation money or property shall be made until it is first approved by the President, Treasurer, or the Directors of the corporation. However, the Directors shall have the authority to appropriate specific sums to fulfill the objects and purposes for which the corporation was formed and to direct the officers of the corporation from time to time to make disbursements to implement the appropriations.

Section 4. Execution of Checks, etc.. All checks, drafts, demands for money and notes of the corporation, and all written contracts of the corporation shall be signed by the officer or officers, agent or agents, as the Board of Directors may from time to time by resolution designate.

**ARTICLE XIV**  
**CORPORATE RECORDS AND REPORTS**

Section 1. Records. The Corporation shall maintain adequate and correct accounts, books and records of its business and properties. All these books, records, and accounts shall be kept at its principal place of business in the State of California, as fixed by the Board of Directors from time to time.

Section 2. Inspection of Books and Records.

A. The membership register or duplicate membership register, the books of account, and minutes and proceedings of the Members and the Board, and of any committee of the Board shall be open to inspection on the written demand of any Member at any reasonable time, for a specifically stated purpose reasonably related to such Member's interests as a Member.

B. Every Director shall have the absolute right at any reasonable time to inspect all books, records, documents of every kind, and the physical properties of the Corporation, and also of its subsidiary organizations, if any.

Section 3. Certification and Inspection of Bylaws. The original or a copy of these Bylaws, as amended or otherwise altered to date, certified by the Secretary, shall be open to inspection by the members and Directors of the corporation at all reasonable times during office hours.

**ARTICLE XV**  
**DISSOLUTION**

On dissolution of the Corporation, the Board of Directors shall cause the assets herein to be distributed to another corporation with purposes similar to that identified in the Articles of Incorporation, and ARTICLE XII of these Bylaws.