

**BYLAWS  
OF  
SOUTH NATOMAS TRANSPORTATION MANAGEMENT ASSOCIATION  
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION**

**ARTICLE 1 - OFFICES**

**SECTION 1.1 - PRINCIPAL OFFICES.**

The principal office for the transaction of the business of the corporation (“principal executive office”) is located in Sacramento 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.

**SECTION 1.2 - OTHER OFFICES.**

The board of directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

**ARTICLE 2 - PURPOSES**

This Corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law. The specific purpose of this Corporation is to involve developers and employers in the furtherance of their common interest to improve the general business and transportation conditions in the South Natomas area of Sacramento County, California, and assist in making it a more attractive and advantageous place to locate businesses.

**ARTICLE 3 - MEMBERSHIP**

**SECTION 3.1 - QUALIFICATIONS.**

There shall be two classes of membership in this corporation: regular membership and associate membership. Any developer or employer, dedicated to the purposes of this corporation shall be eligible for regular membership upon acceptance of this application by the board of directors and payment of such dues and initiation fees as may from time to time be fixed by the board of directors.

Any other organization or person dedicated to the purposes of this corporation shall be eligible for associate membership upon acceptance of an application by the board of directors and payment of such dues and initiation fees as may from time to time be fixed by the board of directors for that class. Such persons shall not be members within the meaning of Section 5056 of the California Corporations Code.

### **SECTION 3.2 - FEES, DUES, AND ASSESSMENTS.**

Each member in good standing must pay, within the time and on the conditions set by the board of directors, the initiation fee and annual dues in amounts to be fixed from time to time by the board of directors. The dues and fees shall be equal for all members of each class, but the board of directors may, at its discretion, set different fees and dues for each class.

### **SECTION 3.3 - MEMBER REPRESENTATIVES.**

Each regular member and associate member shall appoint one representative, as well as one alternate who may attend all the meetings of the members.

### **SECTION 3.4 - TERMINATION OF MEMBERSHIP.**

- (a) Causes of Termination. The membership of any regular member or associate member shall terminate upon occurrence of any of the following events:
- (i) The resignation of the associate member.
  - (ii) Expiration of the period of membership, unless the regular member or associate member sooner renews for a subsequent period, on the renewal terms set by the board of directors.
  - (iii) The determination by the board of directors or a committee designated to make such determination that the regular member or associate member should be expelled because the regular member or associate member has failed in a material and serious degree to observe the rules of conduct of the corporation, or has engaged in conduct materially and seriously prejudicial to the interests of the corporation.
- (b) Procedure for Expulsion. Following the determination that a regular member or associate member should be expelled under subparagraph (iii) above, the corporation must follow the expulsion procedure mandated by California Nonprofit Corporation Law Code Section 7341.

## ARTICLE 4 - MEETINGS OF MEMBERS

### SECTION 4.1 - PLACE OF MEETING.

Meetings of the membership shall be held at any place within or outside the State of California designated by the board of directors. In the absence of any such designation, members' meetings shall be held at the principal executive office of the corporation.

### SECTION 4.2 - ANNUAL MEETING.

The annual meeting of members shall be held on the 4th Friday of March in each year, unless the board of directors fixes another date and so notifies the members as provided in Section 4.4. If the scheduled date falls upon a legal holiday, the meeting shall be held the next business day.

### SECTION 4.3 - SPECIAL MEETINGS.

- (a) Authorized Persons Who May Call. A special meeting of the members may be called at any time by the board of directors, the chairperson of the board, or the president. In addition, a special meeting of the members may be called by five percent or more of the regular members.
- (b) Calling Meetings by Regular Members. If a special meeting is called by regular members, the request shall be submitted by such regular 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 chairperson of the board, the president, any vice presidents, or the secretary of the corporation. The officer receiving the request shall cause notice to be promptly given to the regular members and associate members, in accordance with the provisions of Section 4.4, that a meeting will be held at a time fixed by the board, not less than 35 nor more than 90 days following the receipt of the request. If the notice is not given within the 90 days after receipt of the request, the persons requesting the meeting may give the notice. Nothing contained in this subsection shall be constructed 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 4.4 - NOTICE OF MEMBERS' MEETINGS.

- (a) General Notice Contents. All notices of meetings of members shall be sent or otherwise given in accordance with Section 4.4(c) 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 general 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 the notice, intends to present for action by the regular members.

- (b) Notice of Certain Agenda Items. If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Regular member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):
- (i) Removing a director without cause;
  - (ii) Filling vacancies on the board of directors by the members;
  - (iii) Amending the articles of incorporation;
  - (iv) Approving a contract or transaction in which a director has a material financial interest;
  - (v) Approving a plan of distribution of assets, other than cash, in liquidation when the corporation has more than one class of memberships outstanding.
- (c) Method of Notification. Notice of any meeting of members or any report shall be given either personally or by first-class mail, telegraphic or other written communication, charges prepaid, addressed to each regular member and associate member either at the address of that regular member or associate member appearing on the books of the corporation or the address given by the regular member or associate member to the corporation for the purpose of notice. If no address appears on the corporation's books and no address has been so given, notice shall be deemed to have been given if either (i) notice is sent to that regular member or associate member by first-class mail or telegraphic or other written communication to the corporation's circulation in the county where that office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegram or other means of written communication.
- (d) Affidavit of Mailing Notice. An affidavit of the mailing or other means of giving any notice of any members' meeting or report may be executed by the secretary, assistant secretary, or any transfer agent of the corporation giving the notice and if so executed, shall be filed and maintained in the minute book of the corporation. This affidavit shall be prima facie evidence of the giving of the notice or report.

#### **SECTION 4.5 - QUORUM.**

- (a) Percentage Required. Thirty-three and one-third percent of the regular members shall constitute a quorum for the transaction of business at a meeting of the members.

- (b) Loss of Quorum. The regular members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough regular members to leave less than a quorum, if any action taken (other than adjournment) is approved at least a majority of the regular members required to constitute a quorum.

#### **SECTION 4.6 - ADJOURNED MEETING.**

Any members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the regular members represented at the meeting; but in the absence of a quorum, other business may be transacted at that meeting, except as provided in this Article.

#### **SECTION 4.7 - VOTING.**

- (a) Eligibility to Vote. Persons entitled to vote at any meeting of members shall be regular members as of the date determined in accordance with Section 4.10, subject to the provisions of the California Nonprofit Corporation Law.
- (b) Manner of Casting Votes. Voting may be by voice or ballot, provided that any election of directors must be by ballot if demanded by any regular member before the voting begins.
- (c) Only Majority of Regular Members Represented at Meeting Required, Unless Otherwise Specified. If a quorum is present, the affirmative vote of the majority of the regular members represented at the meeting, and voting on any matter (other than the election of directors) shall be the act of the regular members, unless the vote of a greater number is required by the California Nonprofit Corporation Law or by the articles of incorporation.

#### **SECTION 4.8 - WAIVER OF NOTICE OR CONSENT BY ABSENT REGULAR MEMBERS.**

- (a) 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 meeting, each regular member who was not present, signs a written waiver of notice or a consent to a holding of the meeting, or an approval of the minutes. The waiver of notice or consent need not specify either the business to be transacted or the purpose of any annual or special meeting of members, except that if action is taken or proposed to be taken for approval of any of those matters specified in Section 4.4(b), the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

- (b) Waiver by Attendance. Attendance by a regular member at a meeting shall also constitute a waiver of notice of that meeting, except when the regular member objects at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Also attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be, but not included in the notice of the meeting, if that objection is expressly made at the meeting.

**SECTION 4.9 - ACTION BY WRITTEN CONSENT WITHOUT A MEETING.**

- (a) General. Any action that may be taken at any annual or special meeting of members may be taken without a meeting and without prior notice upon compliance with the provisions of this section.
- (b) Solicitation of Written Ballots. The corporation shall distribute one written ballot to each regular member entitled to vote; such ballots shall be mailed or delivered in the manner required by Section 4.4 for giving notice of special meetings. All solicitations of votes by ballot shall: (1) indicate the number of responses needed to meet the quorum requirement; (2) state the percentage of approvals necessary to pass the measure(s); and (3) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall: (1) set forth the proposed action; (2) provide the regular members an opportunity to specify approval or disapproval of each proposal; (3) state that where an approval or disapproval is specified the ballot will be cast accordingly; and (4) provide a reasonable time within which regular members may return the ballot.
- (c) Quorum: Majority. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot within the time specified equals or exceed the quorum required to be present at the meeting authorized the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.
- (d) Revocation. No written ballot may be revoked after delivery to the corporation or deposit in the mails, whichever occurs first.
- (e) Filing. All such written ballots shall be filed with the secretary of the corporation and maintained in the corporate records. All written ballots shall be retained by the Corporation for two years.
- (f) Effect of Noncompliance. Failure to comply with this section shall not invalidate any corporate action taken, but may be the basis for challenging any written ballot, and any regular member may petition the Superior Court of California to compel compliance with the provisions of the Law.

**SECTION 4.10 - RECORD DATE FOR MEMBER, VOTING, AND GIVING CONSENTS AND OTHER ACTIONS.**

- (a) When Determined by Board of Directors. For the purposes of determining which regular members are entitled to vote, to act by written ballot without a meeting, or to take other action, the board of directors may fix, in advance, a “record date,” which shall not be more than 60 nor fewer than ten days before the date of any such meeting, not more than 60 days before any such action without a meeting. Only regular member of record on the date so fixed are entitled to vote, to give consents, or take other action, as the case may be, notwithstanding any transfer of any regular membership on the books of the corporation after the record date, except as otherwise provided in the articles of incorporation, by agreement, or in the California Nonprofit Corporation Law.
- (b) When Not Determined by Board of Directors.
- (i) Record Date for Notices or Voting. If not fixed by the board of directors, the record date for determining those regular members entitled to vote at the meeting, shall be the day the meeting is held.
- (ii) If No Record Date for Action by Written Ballot Without Meeting. Fixed by the board, the record date for determining those regular members entitled to vote at the meeting, when no prior action by the board has been taken, shall be the day on which the first written ballot is mailed or solicited.
- (iii) Record Date for Other Actions. If not fixed by the board, the record date for determining those regular members entitled to take any other action shall be the date the board adopts the resolution relating thereto, or the 60th day prior to the date of such other action, whichever is later.
- (iv) “Record Date” Means as of Close of Business. For purposes of this paragraph (b), a person holding regular membership as of the close of business on the record date shall be deemed the regular member of record.

**SECTION 4.11 - VOTING RIGHTS.**

Each regular member shall be entitled to cast one vote on all matters submitted to a vote of the members. Voting rights may be exercised by proxies.

**ARTICLE 5 - ELECTION OF DIRECTORS**

**SECTION 5.1 - NOMINATIONS AND SOLICITATIONS FOR VOTES.**

- (a) Nominating Committee. The chairperson of the board, or the president if there is no chairperson, shall appoint a committee to select qualified candidates for election to the board of directors. The nominating committee shall make its report, at the next full board of directors meeting and the secretary shall forward to each regular member, with the notice of meeting required by Section 4.4, a list of candidates nominated by any procedure recognized by the corporation, by office.
- (b) Nominations by Regular Members. Regular members representing two percent of the membership may nominate candidates for directorships. On timely receipt of a petition signed by the required number of regular members, the secretary shall cause the names of the candidates named on it to be placed on the ballot along with those candidates named by the nominating committee.
- (c) Nominations From the Floor. If there is a meeting to elect directors, any regular member present at the meeting may place names in nomination.
- (d) Solicitation of Votes. If more people are nominated for the board than can be elected, the election shall take place by means of a procedure that allows all nominees a reasonable opportunity to solicit votes and all regular members a reasonable opportunity to choose among nominees. If after the close of nominations the number of people nominated for the board is not more than the number of directors to be elected, the corporation may without further action declare that those nominated and qualified to be elected have been elected.
- (e) Publications. Without limiting the generality of the foregoing, if the corporation now or hereafter publishes, owns, or controls a magazine, newsletter, or other publication, and publishes material in the publication soliciting votes for any nominee for director, it shall make available to all other nominees, in the same issue of the publication, an equal amount of space, with equal prominence, to be used by the nominee for a purpose reasonably related to the election.
- (f) Mailing Election Material. On written request of any nominee for election to the board and accompanying payment of the reasonable costs of mailing (including postage), the corporation shall, within ten business days after the request (provided payment has been made), mail to all regular members, or such portion of them as the nominee may furnish and that is reasonably related to the election, unless the corporations' option, the right to do either of the following: (1) inspect and copy the record of all the regular member's names, addresses, at reasonable times, on five business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested; or (2) obtain from the secretary of the corporation, on written demand and tender of a reasonable charge, a list of the names and addresses of the regular members as of the most recent record date for which it was been compiled or as of a date specified by



the nominee subsequent to the date of demand. The regular membership list shall be made available on or before the later of ten business days after the demand is received or after the date specified in it as the date by which the list is to be compiled.

- (g) Refusal of Publish or Mail Material. The corporation may not decline to publish or mail material that it is otherwise required hereby to publish or mail on behalf of any nominee, on the basis of the content of the material, except that the corporation or any of its agents, offices, directors, or employees may seek and comply with an order of the Superior Court allowing them to delete material that the court finds will expose the moving party to liability.
- (h) Use of Corporate Funds to Support Nominee. Without authorization of the board of directors, corporate funds may not be expended to support a nominee for director after there are more people nominated for director than can be elected.

## **SECTION 5.2 - VOTE REQUIRED TO ELECT DIRECTOR.**

Candidates receiving the highest number of votes shall be elected as directors.

## **ARTICLE 6 - DIRECTORS**

### **SECTION 6.1 - POWERS.**

- (a) General Corporate Powers. Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the articles of incorporation and these bylaws relating to the action required to be approved by the regular members, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the board of directors.
- (b) Specific Powers. Without prejudice to these general powers, and subject to the same limitations, the board of directors shall have the power to:
  - (i) Select and remove all officers, agents, and employees of the corporation; prescribe any powers and duties for them that are consistent with law, with the articles of incorporation, and with these bylaws; and fix their compensation.
  - (ii) Change the principal executive office or the principal business office in the State of California from one location to another; cause the corporation to be qualified to do business in any other state, territory, dependency or country and conduct business within or outside the State of California; and designate any place within or outside the State of California for the holding of any members' meeting or meetings, including annual meetings.

- (iii) Adopt, make, and use a corporate seal; prescribe the forms of membership certificates; and alter the form of the seal and certificate.
- (iv) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

### **SECTION 6.2 - NUMBER AND QUALIFICATIONS OF DIRECTORS.**

The authorized number of directors shall be not less than nine (9) nor more than nineteen (19) until changed by amendment of the articles of incorporation or a bylaw duly adopted by approval of the members. Directors need not be residents of the State of California or members of the corporation.

### **SECTION 6.3 - ELECTION AND TERM OF OFFICE OF DIRECTORS.**

Each director shall be elected for a term of three (3) years or until his or her successor is elected; provided, however, that at the 1990 annual meeting, three (3) directors shall be elected for a term of one (1) year, three (3) directors shall be elected for a term of two (2) years, and three (3) directors shall be elected for a term of three (3) years. Commencing at the 1991 annual meeting, and at each successive annual meeting thereafter, three (3) members shall be elected to re-elected to the board of directors for a term of three (3) years; provided, however, that no director, other than a director who is serving as president, shall serve on the board for more than nine (9) consecutive years.

### **SECTION 6.4 - VACANCIES.**

- (a) Events Causing Vacancy. A vacancy or vacancies in the board of directors shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any director, (ii) 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 under California Nonprofit Corporation Law Code Section 7230 and following, (iii) the vote of the regular members to remove a director, (iv) the increase of the authorized number of directors, or (v) the failure of the regular members, at any meeting of members at which any director or directors are to be elected, to elect the number of directors to be elected at such meeting.
- (b) Resignation. Except as provided in this paragraph, any director may resign, which resignation shall be effective on giving written notice to the chairperson 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 board of directors may elect a successor to take office when the resignation becomes effective.

- (c) Vacancies Filled by Members. The regular members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors, except a vacancy created by the removal of a director who was designated or selected as such a director pursuant to any provision of the articles or bylaws, if such provisions contain further provisions for designating or selecting another director. Any such election by written ballot shall require the consent of a majority of the regular members.
- (d) No Vacancy on Reduction of Number of Directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

#### **SECTION 6.5 - PLACE OF MEETINGS; MEETINGS BY TELEPHONE.**

Regular meetings of the board of directors may be held at any place within or outside 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 the principal executive office of the corporation. 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 principal executive office of the corporation. Notwithstanding the above provisions of this Section 6.5, a regular or special meeting of the board of directors may be held at any place consented to in writing by all the board of directors either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another, and all such directors shall be deemed to be present in person at such meeting.

#### **SECTION 6.6 - ANNUAL MEETING.**

Immediately following each annual meeting of members, the board of directors shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of this meeting shall not be required.

#### **SECTION 6.7 - OTHER REGULAR MEETINGS.**

Other regular meetings of the board of directors shall be held without call at such time as shall from time to time be fixed by the board of directors. Such regular meetings may be held without notice.

## **SECTION 6.8 - SPECIAL MEETINGS.**

- (a) Authority to Call. Special meetings of the board of directors for any purpose may be called at any time by the chairperson of the board or the president or any vice president, the secretary, or any two directors.
  
- (b) Notice.
  - (i) 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 director or to a person at the director's office who would reasonable be expected to communicate such notice promptly to the director; (d) by telegram, charges prepaid; or (e) by facsimile transmission. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.
  
  - (ii) Time Requirements. Notices sent by first-class mail shall be deposited into a United States mail box at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph or facsimile transmission shall be delivered, telephoned, given to the telegraph company or faxed at least 48 hours before the time set for the meeting.
  
  - (iii) Notice Contents. The notice shall state the time and place for the meeting. However, it need not specify the purposes of meeting, or the place of the meeting, if it is to be held at the principal executive office of the corporation.

## **SECTION 6.9 - QUORUM.**

A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 6.11. Every act or decision done or made by a majority of the directors present at the meeting duly held at which a quorum is present shall be regarded as the act of the board of directors, subject to the provisions of the California Nonprofit Corporation Law, except those provisions relating to (i) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (ii) appointment of committees, and (iii) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

**SECTION 6.10 - 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 corporate 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 6.11 - ADJOURNMENT.**

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

**SECTION 6.12 - NOTICE OF ADJOURNMENT.**

Notice of the time and place of holding and adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting of the directors who were not present at the time of the adjournment.

**SECTION 6.13 - ACTION WITHOUT MEETING.**

Any action required or permitted to be taken by the board of directors may be taken without a meeting, if the majority of the members of the board, individually and 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 6.14 - FEES AND COMPENSATION OF DIRECTORS.**

Directors and members of 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 7 - COMMITTEES**

### **SECTION 7.1 - 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 of 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 with respect to:

- (a) Any action on matters which, under the California Nonprofit Corporation Law, also requires regular members' approval or approval of a majority of all the regular members;
- (b) The filling of vacancies on the board of directors or in any committee which has the authority of the board;
- (c) The fixing of compensation of the directors for serving on the board or on any committee;
- (d) The amendment or repeal of bylaws or adoption of new bylaws;
- (e) The amendment or repeal of any resolution of the board of directors which by its express terms is not so amendable or repealable;
- (f) The appointment of any other committees of the board of directors or the members of these committees;
- (g) The expenditure of corporate funds to support a nominee for director after there are more people nominated for director than can be elected;
- (h) The approval of any transaction (1) to which the corporation is a party and one or more directors have a material financial interest; or (2) 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.

### **SECTION 7.2 - MEETINGS AND ACTION OF COMMITTEES.**

Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article VI of these bylaws, concerning meeting 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 directors 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 may 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 corporate records. The board of directors may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

## **ARTICLE 8 - OFFICERS**

### **SECTION 8.1 - 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 chairperson 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 provisions of Section 8.3. Any number of officers 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 chairperson of the board.

### **SECTION 8.2 - ELECTION OF OFFICERS.**

The officers of the corporation, except those appointed in accordance with the provisions of Section 8.3, shall be chosen by the board of directors, and each shall serve at the pleasure of the board, subject to the rights, if any, of an officer under any contract of employment.

### **SECTION 8.3 - SUBORDINATE OFFICERS.**

The board may elect and may empower the president to appoint such other officers as the business of the corporation may require, each of who shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the board may from time to time determine.

### **SECTION 8.4 - REMOVAL OF OFFICERS.**

Subject to the rights, if any, of an officer under any contract of employment, 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 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 8.5 - 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 8.6 - VACANCIES IN OFFICES.**

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

## **SECTION 8.7 - RESPONSIBILITIES OF OFFICERS.**

- (a) Chairperson of the Board. If such an officer be elected, the chairperson 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 chairperson of the board shall, in addition, be the president of the corporation and shall have the powers and duties prescribed in paragraph (b), below.
- (b) President. Subject to such supervisory powers as may be given by the board of directors to the chairperson 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. The president shall preside at all meetings of the members and, in the absence of the chairperson of the board, or if there be none, at all meetings of the board of directors, and shall have such other powers and duties as may be prescribed by the board of directors or the bylaws.
- (c) Vice Presidents. In the absence or disability of the president, the vice presidents, if any, in order of their rank as fixed by the board of directors or, if not ranked, a vice president designated by the board of directors, shall 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 chairperson of the board.
- (d) Secretary. The secretary shall attend to the following:
  - (i) Book of Minutes. The secretary shall keep or cause to be kept, at the principal executive office or such other place as the board 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.
  - (ii) Membership Records. The secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the board of directors, a record of the corporation's members, showing the names of all members, their addresses, and the class of membership held by each.



- (iii) Notices, Seal and Other Duties. The secretary shall give, or cause to be given, notice of all meetings of the members and of the board of directors required by the bylaws to be given. The Secretary shall keep the seal of the corporation in safe custody. The Secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or the bylaws.
  
- (e) Chief Financial Officer. The chief financial officer shall attend to the following:
  - (i) 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 accounts 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 all reasonable times.
  
  - (ii) 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 may be designated by the board of directors; shall disburse or cause to be disbursed 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 or her transactions as chief financial officer and 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.
  
  - (iii) 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 or her office and for restoration to the corporation of all its books, papers, vouchers, money, and other property of every kind in his or her possession or under his or her control on his or her death, resignation, retirement, or removal from office.

**ARTICLE 9 - INDEMNIFICATION OF DIRECTORS, OFFICERS,  
EMPLOYEES AND OTHER AGENTS.**

**SECTION 9.1 - DEFINITIONS.**

For the purpose of this Article:

- (a) “Agent” means any person who is or was a director, officer, employee, or other agent of this corporation, or is or was serving at the request of this 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 this corporation or of another enterprise at the request of the predecessor corporation;
- (b) “Proceeding” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and
- (c) “Expenses” includes, without limitation, all attorneys’ fees, costs, and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of his position or relationship as agent and all attorneys’ fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

**SECTION 9.2 - SUCCESSFUL DEFENSE BY AGENT.**

To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Sections 9.3 through 9.5 shall determine whether the agent is entitled to indemnification.

**SECTION 9.3 - ACTIONS BROUGHT BY PERSONS OTHER THAN THE CORPORATION.**

Subject to the required findings to be made pursuant to Section 9.5, below, this corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, this corporation, or by an officer, director or person granted related status by the Attorney General, or by the Attorney General on the ground that the defendant director was or is engaging in self-dealing within the meaning of California Nonprofit Corporation Law Code Section 5233, or by the Attorney General or a person granted related status by the Attorney General for any breach of duty related to assets held in charitable trust, by reason of the fact that such person is or was an agent of this corporation, for all expenses judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

#### **SECTION 9.4 - ACTION BROUGHT BY OR ON BEHALF OF THE CORPORATION.**

- (a) Claims Settled Out of Court. If any agent settled or otherwise disposes of a threatened or pending action brought by or on behalf of this corporation, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval unless such action concerns assets held in charitable trust and is settled with the approval of the Attorney General.
- (b) Claims and Suits Awarded Against Agent. This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this corporation by reason of the fact that the person is or was an agent of this corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:
- (i) The determination of good faith conduct required by Section 9.5, below, must be made in the manner provided for in that section; and
  - (ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnify for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

#### **SECTION 9.5 - DETERMINATION OF AGENT'S GOOD FAITH CONDUCT.**

The indemnification granted to an agent in Section 9.3 and 9.4 above is conditioned on the following:

- (a) Required Standard of Conduct. The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he or she believed to be in the best interest of this corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. 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 or in a manner which he or she reasonably believed to be in the best interest of this corporation or that he or she had reasonable cause to believe that his or her conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his or her conduct was unlawful.

- (b) Manner of Determination of Good Faith Conduct. The determination that the agent did act in a manner complying with Subsection (a) above shall be made by:
- (i) The board of directors by a majority vote of a quorum consisting of directors who are not parties to the proceeding; or
  - (ii) The affirmative vote (or written ballot in accord with Section 4.9) of a majority of the votes represented and voting at a duly held meeting of members at which a quorum is present (which affirmative votes also constitute a majority of the required quorum); or
  - (iii) The court in which the proceeding is or was pending. Such determination may be made on application brought by this corporation or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney, or other person is opposed by this corporation.

**SECTION 9.6 - LIMITATIONS.**

No indemnification or advance shall be made under this Article, except as provided in Sections 9.2 or 9.5(b)(iii), in any circumstance when it appears:

- (a) That the indemnification or advance would be inconsistent with a provision of the articles, 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 are incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

**SECTION 9.7 - ADVANCE OF EXPENSES.**

Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amounts of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

**SECTION 9.8 - CONTRACTUAL RIGHTS OF NONDIRECTORS AND NONOFFICERS.**

Nothing contained in this Article shall affect any right to indemnification to which persons other than directors and officers of this corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

## **SECTION 9.9 - 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 other than for violating provisions against self-dealing 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 under the provisions of this section.

## **ARTICLE 10 - RECORDS AND REPORTS**

### **SECTION 10.1 - MAINTENANCE OF CORPORATE RECORDS.**

The corporation shall keep:

- (a) Adequate and correct books and records of account;
- (b) Minutes in written form of the proceedings of its members, board, and committees of the board;
- (c) A record of its members, giving their names and addresses and the class of membership held by each.

All such records shall be kept at the corporation's principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state.

### **SECTION 10.2 - MEMBERS' INSPECTION RIGHTS.**

- (a) Any member of the corporation may (i) inspect and copy the records of members' names and addresses and voting rights during usual business hours on five days' prior written demand on the corporation, stating the purpose for which the inspection rights are requested, or (ii) obtain from the secretary of the corporation, on written demand and on the tender of the secretary's usual charges for such a list, if any, a list of names and addresses of members who are entitled to vote for the election of directors, and their voting rights, as of the most recent record date for which that list has been compiled, or as of a date specified by the member after the date of demand. The demand shall state the purpose for which the list is requested. This list shall be made available to any such member by the secretary on or before the later of 10 days after the demand is received or the date specified in it as the date by which the list is to be compiled.
- (b) Any member of the corporation may inspect the accounting books and records and minutes of the proceedings of the members and the board and committees of the board, at any reasonable time, for the purpose reasonably related to such person's interest as a member.

- (c) Any inspection and copying under this section may be made in person or by an agent or attorney of the member and the right of inspection includes the right to copy and make extracts.
- (d) The aforementioned rights shall be subject to the restrictions set forth in the California Nonprofit Corporation Law Code Section 8332.

**SECTION 10.3 - MAINTENANCE AND INSPECTION OF ARTICLES AND BYLAWS.**

The corporation shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the articles and bylaws as amended to date, which shall be open to inspection by the regular and associate members of all reasonable times during office hours.

**SECTION 10.4 - INSPECTION BY DIRECTORS.**

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

**SECTION 10.5 - ANNUAL REPORT TO MEMBERS.**

- (a) Not later than 120 days after the close of the corporation's fiscal year, the board shall cause an annual report to be sent to the members. Such report shall contain the following information in reasonable detail:
  - (i) A balance sheet as of the end of the fiscal year and an income statement and statement of changes in financial position for such fiscal year.
  - (ii) A statement of the place where the names of the current members are located.
  - (iii) Any information required by Section 10.6.
- (b) The report required by this Section 10.5 shall be accompanied by any report thereon 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 books and records of the corporation.

**SECTION 10.6 - ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS.**

No later than the time the corporation gives its annual report, if any, to the members, and in any event no later than 120 days after the close of the corporation's fiscal year, the corporation shall prepare and mail or deliver to each member a statement of the amount and circumstances of any transaction or indemnification of the following kind:

- (a) Any transaction(s) in which the corporation and in which either of the following had a direct or indirect financial interest:
  - (i) Any director or officer of the corporation; or
  - (ii) Any regular member or associate member of the corporation, if such transaction involved over \$50,000, or was one of a number of transactions with the same regular member or associate member in the aggregate, over \$50,000.
- (b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation pursuant to Article IX hereof, unless such indemnification has already been approved by the regular members pursuant to Section 5(b)(ii) of Article IX.

**ARTICLE 11 - CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules or 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 the natural person.

**ARTICLE 12 - AMENDMENTS**

**SECTION 12.1 - AMENDMENT BY REGULAR MEMBERS.**

New bylaws may be adopted or these bylaws may be amended or repealed by approval of the regular members or by written ballot of these persons. Further, where any provision of these bylaws requires the vote of a larger proportion of the regular members than otherwise required by law, such provision may not be altered, amended or repealed except by vote of such larger number of regular members. No amendment may extend the term of a director beyond that for which such director was elected.

## **SECTION 12.2 - AMENDMENT BY DIRECTORS.**

Subject to the rights of regular members under Section 12.1 and the limitations set forth below, the board of directors may adopt, amend or repeal bylaws. Such power is subject to the following limitations:

- (a) The limitation set forth in Section 12.1 on the regular members' power to adopt, amend or repeal bylaws shall apply to action by the board of directors.
- (b) The board of directors may not amend a bylaw provision fixing the authorized number of directors or the minimum and maximum number of directors. However, if the articles or bylaws provide for a variable number of directors within specified limits, the directors may, subject to the other limitations of this section, adopt, amend or repeal a bylaw fixing the exact number of directors within those limits.
- (c) If any provision of these bylaws requires the vote of a larger proportion of the directors than otherwise required by law, such provision may not be altered, amended or repealed except by vote of such larger number of directors.
- (d) The board of directors may not adopt or amend bylaw provisions concerning the following subjects without the approval of the regular members:
  - (i) Any provision extending or increasing the terms of directors;
  - (ii) Any provision allowing one or more directors to hold office by designation or selection rather than election by the members;
  - (iii) Any provision giving the board of directors power to fill vacancies on the board created by removal of directors; or
  - (iv) Any provision increasing the quorum for members' meetings.

### **CERTIFICATE OF SECRETARY**

I, the undersigned, certify that I am the presently elected and acting Secretary of SOUTH NATOMAS TRANSPORTATION MANAGEMENT ASSOCIATION, a California nonprofit corporation, and the above bylaws, consisting of 21 pages, are the bylaws of this corporation as adopted at a meeting of the board of directors held on February 2, 1990.

DATED: *Original on file in TMA office.*

**SOUTH NATOMAS TRANSPORTATION  
MANAGEMENT ASSOCIATION**

*Original on file in TMA office*  
Janice L. Thurston, Secretary