

BYLAWS
OF
ACT-II or All Churches Together
An Alabama Nonprofit Public Benefit Corporation

Section I
Name

The name of this corporation is ACT-II.

Section II
Offices of the Corporation

A. Principal Office. The principal office for the transaction of the activities and affairs of this corporation is located at 564 Fairhope Avenue, Fairhope, AL 36532. The board of directors may change the location of the principal office. Any such change of location must be noted by the Secretary on these bylaws opposite this Section or this Section may be amended to state the new location.

B. Other Offices. The board may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

Section III
Purposes and Limitations

A. General Purpose. The purpose of this corporation is to strengthen Southwest Alabama families and communities by assisting religious congregations and other community groups in the development of leadership that is educated and organized for effective participation in civic life.

B. Limitations. Notwithstanding any other provision of these bylaws, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States internal revenue law, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States internal revenue law.

No substantial part of the activities of this corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation except as provided in Section 501(h) of the Internal Revenue Code of 1986, and this corporation shall not participate or intervene in (including publishing or distributing statements) any political campaign on behalf or in opposition to any candidate for public office.

All corporate property is irrevocably dedicated to the purposes set forth in Article Two of the Articles of Incorporation. No part of the net earnings of this corporation shall inure to the benefit of any of its directors, trustees, officers, private shareholders or members, or to individuals.

On the winding up and dissolution of this corporation, after paying or adequately providing for the debts, obligations, and liabilities of the corporation, the remaining assets of this corporation shall be distributed to such organization (or organizations) organized and operated exclusively for

charitable, religious, literary or educational purposes, or for the prevention of cruelty to children or animals, which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States internal revenue law.

Section IV Construction and Definitions

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

"ACT-II model" is the ACT-II principles and dialogue-to-action, church-based cycle that build leadership skills and organizational depth while working to solve a community problem.

"Active membership" applies to either an individual or an LOM. Whether an individual or an LOM, an active member is one who meets regularly in an LOM, implementing some phase of the ACT-II model.

"Emeritus member" is a veteran member who has been actively involved in ACT-II work for five years or more and has been approved by the Steering Board for emeritus status.

"Experienced membership" applies to an individual or an LOM that has completed the full cycle of the ACT-II model.

"Founding pastor" or "Founding member" is a veteran member who has been actively involved in formation of an LOM which has achieved veteran status.

"Individual Membership" is any individual who has participated in an active LOM for at least three months.

"Institutional membership" is an LOM

"LOM" or "Local Organizing Ministry" is a community organization usually based in a church or churches, that practices the ACT-II model and assents to the ACT-II Declaration of Values. In some instances an LOM focuses on a specific geographical area and solves several problems. In other instances, it focuses on solving a specific problem, and is spread across several geographical areas.

"Veteran membership" applies to an individual or an organization that has successfully solved a local, institutional problem following the ACT-II model.

Section V Declaration of Values

A Christ-centered organization will differ in structure and principles from organizations patterned after the ways of the world. We express the basis of some of these differences in our Declaration of Principles and also in our Declaration of Values. Our values include but are not limited to:

- 1) While Christ-centered, we value work for justice that serves all people regardless of their faith.
- 2) We value relationships across barriers, therefore dialogue about faith, justice, mutual respect, honesty, compassion, understanding and human dignity. We derive our understanding of these and like values from the Bible.

- 3) We value developing and embracing a vision shared across race, denominational, and class lines.
- 4) ACT-II and its individual member organizations value forums and discussion of neighborhood concerns, particularly in an environment that bridges traditional race, class and denominational barriers, while focusing on shared visions and institutional and systemic dimensions of community problems.
- 5) We value solutions to problems, not just talk.
- 6) Differing from many “activist” organizing models, ACT-II views Christ as actively interested in our work and prayer as its most important organizing tool. With this in mind we value the study of Christ in community dynamics, and seek evidence and understanding of this in Biblical reflections, prayer and the collection of “God stories.”
- 7) Because the least are first, we value a “bottoms-up,” upside-down-Kingdom vision and organizing model. We believe the statement that the least shall come first is a description of the highest order of leadership. Because the servant leader is the most powerful leader, we value leadership styles that encourage leadership of others. Humility and the capacity to listen to are among leading virtues we value in leadership; star-power and pride are eschewed.
- 8) We value consensus.
- 9) Though we celebrate individuality and encourage all who are made in God’s image to seek and manifest their God-given uniqueness and beauty, we, as an organization aggressively reject glorification of individuals.
- 10) We believe that the just society is interdependent, one body with many members.
- 11) We believe that the just society is the most economically efficient and financially prosperous society.
- 12) We believe our technical “model” for community improvement is expressed in a set of organizing principles, many of which are found in our Declaration of Principles. These principles express transferable understanding of how individuals working together can positively impact their community. Because they are demonstrably effective in bringing about just community change, yet, run counter-intuitive to normal organizing models of the world, we value intentional discussion and reflection about their meaning and application. We value sharing the insights we gain from our work and study with others.
- 13) Because ideology and partisanship cloud research and clutter motivations with interests that often conflict with the interests of clear understanding and justice and families, we value aggressively non-partisan, non-ideological action. ACT-II will not align with any ideological or political group nor allow any candidate or party to use its name for political purposes.

Section VI Powers

A. Division of Powers

- 1) Voting Bodies. There shall be two voting bodies in this corporation: the Steering Board and Plenary.
- 2) Decisions of the Steering Board are effective immediately unless stated differently by the Steering Board at the time of the decision and will remain in effect unless overturned by a vote of the Plenary.

3) All Steering Board decisions shall be submitted to the next Plenary for ratification. When ratified, the decisions are final.

4) If the Plenary fails to vote on a Steering Board decision, the Steering Board decision remains in affect until the Plenary does vote.

5) If a vote of the Plenary overturns a Steering Board decision, the Steering Board may over-rule the Plenary vote. The waiver of consensus rule automatically applies at the next regular Steering Board meeting, and the previous Plenary action overturning a Steering Board decision shall be the first order of business. If the Plenary decision is overruled by the Steering Board vote, this second Steering Board action is final. If the Steering Board vote does not overrule the Plenary, the Plenary vote is final. The automatic waiver of consensus ceases when votes on prior Plenary actions are completed.

B. Powers of the Steering Board

Subject to the provisions and limitations of the ~~California Nonprofit Public Benefit Corporation Law~~ and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws regarding actions that require approval of the members, if any, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Steering Board. Steering Board Specific Power to. Without prejudice to the general powers set forth in Section VI(a)(1) of these Bylaws, but subject to the same limitations, the Steering Board shall have the: (1) Appoint and remove, at the pleasure of the board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and require from them security for faithful service. Change the principal office or the principal business office in ~~California~~ from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside ~~California~~; and designate a place in or outside ~~California~~ for holding any meeting of members. (2) Borrow money and incur indebtedness on the corporation's behalf 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. (3) Adopt and use a corporate seal and alter the form of the seal. (4) To exercise all other powers conferred by the ~~California Nonprofit Public Benefit Corporation Law~~, or other applicable laws, consistent with the articles of incorporation.

C. Powers of the Plenary

None?

Section VII

Members

1. General membership in ACT-II. General membership includes all active individuals (see definitions)

2. Steering Board Membership

A. Voting members of Steering Board. Each experienced or veteran member LOM shall have the right to appoint by written communication two representatives to the Steering Board. Pastors and ordained reverends who are veteran members of an LOM are members of the Steering Board. Emeritus Members of ACT-II are members of the

Steering Board. Founding pastors and Founding members are members of the Steering Board. All have the right to vote .

- B.** Non-voting members of Steering Board. Active but inexperienced LOMs may appoint active members to the Steering Board. Active members may participate in discussion and other Steering Board events, but Active Members shall have no voting rights.
- C.** Loss of voting rights. If any member of a Steering Board has missed three consecutive Steering Board meetings, that member shall have no vote for the next two regular meetings.
- D.** Termination and Suspension of Membership.
 - 1) Causes of Termination. A membership shall terminate on occurrence of any of the following events: (i) resignation of the member, on reasonable notice to the corporation, and (ii) expulsion of the member based on the good-faith determination by the Board that the 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 purposes and interests of the corporation..
 - 2) Resignation. A member may resign from membership any time.
 - 3) Transfer of Memberships. No membership or right arising from membership shall be transferred. All rights of membership cease on the member's death or dissolution or upon termination of membership as set forth in Section E above.
- E.** Number of Steering Board The Steering Board shall consist of at least five (5) but no more than thirty-five (35) members unless changed by amendment to these bylaws. The exact number of members shall be fixed, within those limits, by a resolution adopted by the Steering Board.
- F.** Restriction on Interested Persons as Steering Board. No more than 49 percent of the persons serving on the board may be "interested persons." An interested person is (a) any person compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as a director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation.
- G.** Designation and Term of Office. The initial Steering Board members of the corporation shall be appointed by the incorporator. Each such member shall hold office for two (2) years, unless otherwise specified. Emeritus and Founding members, and veteran pastors serve in perpetuity.
- H.** Election of Directors. After Initial Appointment. After the first board of directors has been appointed, all subsequent directors, excepting founding pastors, founding members, emeritus members and veteran pastors shall be designated by member LOMs. Each experienced and veteran LOM shall have the ability to designate two members on the Steering Board, subject to the qualifications set for membership. Each Director shall hold office at the will of the LOM or for 2 years. At the end of two

years each LOM may appoint the same representative in perpetuity or appoint another qualified member of its LOM.

I. Vacancies on Board of Directors

1. ~~Events Causing Vacancy. A vacancy or vacancies on the board of directors shall occur in the event of (a) the death or resignation of any director; and (b) the declaration by resolution of the board of a vacancy in the office of a director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3 provided, however, that a director who was designated as a director, rather than elected by the members, may be removed by the person or persons who designated that director, and may not be removed without the written consent of that person or persons.~~
2. Resignation of Directors. Except as provided below, any director may resign by giving written notice to the chairman of the board, if any, or to the president or the secretary of the board. ~~The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If the director's resignation is effective at a later time, the member that designated the resigning director may designate a successor to take office as of the date when the resignation becomes effective. Except on notice to the California Attorney General, no director may resign if the corporation would be left without a duly elected director or directors.~~
3. Vacancies Filled by Board. ~~Vacancies on the board may be filled by approval of the board or, if the number of directors then in office is less than a quorum, by (1) the unanimous written consent of the directors then in office, (2) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code Section 5211 or (3) a sole remaining director.~~ Vacancies on the Steering Board shall be filled by written notice from the LOM affected by the vacancy. In the event that an LOM is unable to appoint a representative to the Steering Board because of lack of active membership, the Steering Board shall make the appointment.
4. No Vacancy on Reduction of Number of Directors. Any reduction of the authorized number of directors shall not result in any director's being removed before his or her term of office expires.

3. Plenary Membership

- A. Voting membership. Experienced and veteran members of all experienced or veteran ACT-II LOMs are members of the Plenary. Members of the Steering Board are members of the Plenary. All shall have the right to vote in Plenary meetings.

- B. Non-voting membership. Active members of LOMs may attend Plenary meetings and participate in discussion, but shall not vote.
- C. Number of Plenary. No limit is set on the number of Plenary members.
- D. Restriction on Interested Persons as Steering Board. No more than 49 percent of the persons serving on the board may be “interested persons.” An interested person is (a) any person compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as a director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation.
- E. Designation and Term of Office. All qualified members may serve in perpetuity on the Plenary.

Section VIII Meetings

1. Steering Board

A. Place, annual and special meetings

1) Place of Meeting. Meetings of members shall be held at any place within or outside Southwest Alabama designated by the Board or by written consent of all person entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, meetings shall be held at the corporation’s principal office.

2) Time of Meetings. A regular meeting schedule shall be set by the Steering Board.

2) Annual Meetings. A general meeting of members shall be held at least annually at such time and place and on such notice, if any, as the Board may determine.

3) Special Meetings: Persons Authorized to Call. Special meetings of the Steering Board members may be called at any time by the Board or the chairman of the Board, if any, or by the president, or by 5 percent or more of the members.

4) Calling Meetings. A special meeting called by any person (other than the Board) entitled to call a special meeting, shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the chairman of the Board, if any, the president, vice president, or secretary. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, stating that a meeting will be held at a specified time and date fixed by the Board; provided, however, that the meeting date shall be at least thirty-five (35) but no more than ninety (90) days after the receipt of the request. If notice is not given within twenty (20) days after receipt of the request, the person requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or

affecting the time at which a meeting of members may be held when the meeting is called by the Board.

5) Proper Business of Special Meeting. No business, other than the business of the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

B. Notice Requirement for Steering Board Meetings.

1) General Notice Requirements. whenever members are required or permitted to take any action at a Steering Board meeting, notice shall be given to each member entitled to vote at the meeting. The notice shall specify the place, date, and hour of the meeting and, (1) for a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) for the annual meeting, those matters that the Board, at the time notice is given, intends to present for action by the members any proper matter may be presented at the meeting. The notice of any meeting at which officers are to be elected shall include the names of all persons who are nominees when notice is given.

2) Notice of Certain Agenda Items. Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or waiver of notice specifies the general nature of the proposal: (i) removing a director without cause; (ii) filling vacancies on the Board; (iii) amending the Articles of Incorporation; or (iv) approving the election to wind up and dissolve the corporation.

3) Manner of Giving Notice. Notice of any meeting of members shall be in writing and shall be given at least ten (10) but no more than ninety (90) days before the meeting date. The notice shall be given either personally or by first-class, registered, or certified mail, or by other means of written communication charges prepaid, and shall be addressed to each member entitled to vote, at the address of that member appearing on the books of the corporation or at the address given by the member to the corporation for purposes 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 (1) notice is sent to that member by first-class mail or telegraphic or other written communication to the corporation's principal office or (2) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

4) Affidavit of Mailing Notice. An affidavit of the mailing of any notice of any membership meeting, or of the giving of such notice by other means, may be executed by the secretary, assistant secretary, or any transfer agent of the corporation, and if so executed, shall be filed and maintained in the corporation's minute book.

C. Waiver of Notice or Consent by Absent Members.

1) Written Waiver or Consent. The transactions of any meeting of members, however called or noticed and wherever held, shall be as valid as though taken at a meeting

duly held after regular call and notice, if (1) a quorum is present either in person or by proxy, and (2) either before or after the meeting each member entitled to vote, not present in person or by proxy, signs a written waiver of notice, consent to the holding of the meeting, or approval of the minutes of the meeting. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of any annual or special meeting of members except as provided in Section 4 of these Bylaws. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

2) Waiver by Attendance. A member's attendance at a meeting shall also constitute a waiver of notice of and presence at the meeting, except when the member objects, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened. Attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice but not so included, if that objection is expressly made at the meeting.

D. Quorum

1) Percentage Required. A majority of the voting members shall constitute a quorum for the transaction of business at a meeting of the members.

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

E. Adjournment and Notice of Adjourned Meeting.

Any meeting of members, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting, either in person or by proxy. No meeting may be adjourned for more than forty-five (45) days. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting.

F. Voting in the Steering Board

1) Decision by consensus. Steering Board decisions shall be made by consensus.

2) Waiver of Decision by Consensus. If 2/3 of the voting members present at a Steering Board meeting vote to waive the consensus rule, any matter may be put to a vote. An affirmative vote of a majority shall be the act of the Steering Board.

3) Eligibility to Vote. Subject to the provisions of the ~~California Nonprofit Public Benefit Corporation Law~~, members entitled to vote at any meeting of members shall be members in good standing as of the record date determined under Section 10 of these Bylaws.

4) Manner of Casting Votes. Voting may be by voice, showing of hands, or ballot, except that any election of officers must be by ballot if demanded by any member at the meeting before the voting begins.

5) Voting. Each member entitled to vote shall be entitled to cast one vote on each matter submitted to vote of the members. A member may not cumulate votes for the election of officers.

6) Approval of Majority Vote. If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number, or voting by class, is required by the ~~California Nonprofit Public Benefit Corporation Law~~ or by the Articles of Incorporation.

G. Steering Board Action Without a Meeting

1) Action by Unanimous Written Consent. Any action required or permitted to be taken by the members may be taken without a meeting, if all members consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the members. The action by written consent shall have the same force and effect as the unanimous vote of the members.

2) Action by Written Ballot Without a Meeting. Any action that may be taken at any meeting of members may be taken without a meeting by complying with this Section of these Bylaws.

3) Solicitation of Written Ballots. The corporation shall distribute one (1) written ballot to each member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by Section 4 of these Bylaws. All solicitations of votes by written ballot shall (1) indicate the number of responses needed to meet the quorum requirements; (2) with respect to ballots other than for election of directors, state the percentage of approvals necessary to pass the measure or measures; 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 members an opportunity to specify approval or disapproval of each proposal; and (3) provide a reasonable time within which to return the ballot to the corporation. If the corporation has one hundred (100) or more members, any written ballot distributed to ten (10) or more members, shall provide, subject to reasonable specified conditions, that if the person solicited specified a choice with respect to any such matter, the vote shall be cast in accordance with that specification.

4) In any election of officers, a written ballot that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a Steering Board member.

5) Number of Votes and Approvals Required. Approval by written ballot without a meeting shall be valid only when (1) the number of votes cast by a ballot (including those ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

6) Revocation. A written ballot may not be revoked.

7) Filing. All written ballots shall be filed with the secretary of the corporation and maintained in the corporate records for at least three (3) years.

H. Proxies

1) Right of Members. Each person entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person entitled to vote and filed with the secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or the member's attorney-in-fact.

2) Form of Solicited Proxies. If the corporation has one hundred (100) or more members, any form of proxy distributed to ten (10) or more members shall afford an opportunity on the proxy to specify a choice between approval and disapproval of each matter or group of related matters and shall provide, subject to reasonable specific conditions, that when the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of officers, any form of proxy that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote for the election of directors is withheld, shall not be voted either for or against the election of director.

3) Requirement That General Nature of Subject of Proxy Be Stated. Any proxy covering matters for which a vote of the members is required, including approval of certain amendments to the Articles of Incorporation; removal of directors without cause; filling vacancies on the Board; the principal terms of a merger agreement or any amendment of those terms; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all of the corporate assets unless the transaction is in the regular course of business; or the election to voluntarily dissolve the corporation shall not be valid unless the proxy sets forth the general nature of the matter to be voted on or, with respect to an election of directors, the proxy lists those who have been nominated at the time the notice of the vote is given to the members.

4) Revocability. A validly executed proxy shall continue in full force and effect until revoked by the members executing it, before the vote is cast under that proxy, (a) by a writing delivered to the corporation stating that the proxy is revoked, (b) by a subsequent proxy executed by that member and presented to the meeting, or (c) as to any meeting, by that member's personal attendance and voting at the meeting; provided, however, that no proxy shall be valid after the expiration of eleven (3) months from the date of the proxy. A proxy may not be irrevocable.

I. Record Date for Notice, Voting, Written Ballots and Other Actions.

1) Record Date Determined by Board. The Board may fix in advance a reasonable record date for determining the members entitled to notice of or to vote at any meeting, to vote by written ballots, or to exercise any other rights with respect to any lawful action. The record date so fixed: (i) for notice of a meeting shall not be more than ninety (90) nor less than ten (10) days before the date of the meeting; (ii) for voting at a meeting shall not be more than sixty (60) days before the date of the meeting; (iii) for voting by written ballot shall not be more than sixty (60) days before the day on which the first written ballot is mailed or solicited; and (iv) for any other action shall not be more than sixty (60) days before that action.

2) Record Date Not Determined by Board. If no record date is fixed by the Board: (i) the record date for notice of a meeting shall be the business day preceding the day on which notice is given, or if notice is waived, the day of the meeting; (ii) the record date for determining the members entitled to vote shall be the date on which the meeting is held; (iii) the record date for determining those members entitled to vote by written ballot shall be the date on which the first written ballot is mailed or solicited; (iv) the record date for determining the members entitled to exercise any rights with respect to any other lawful action shall be the date the Board adopts the resolution relating to the action or the 60th day before the action, whichever is later.

3) Members of Record. For purposes of Section 10 of these Bylaws, a person holding a membership at the close of business on the record date shall be a member of record.

J. Committees of Board of Directors.

1) Creation and Powers of Committees. The board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more directors to serve at the pleasure of the board. Appointments to committees of the board shall be by consensus unless the consensus rule is waived, in which event a majority vote of the directors will suffice. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the board, to the extent provided in the board resolution, except that no committee may:

- (a) Take any final action on any matter that, under the ~~California Nonprofit Public Benefit Corporation Law~~, also requires approval of the members or approval of a majority of all members;

- (b) Fill vacancies on the board or any committee of the board;
- (c) Fix compensation of the directors for serving on the board or on any committee;
- (d) Amend or repeal bylaws or adopt new bylaws;
- (e) Amend or repeal any resolution of the board that by its express terms is not so amendable or repealable;
- (f) Create any other committees of the board or appoint the members of committees of the board;
- (g) Expend corporate funds to support a nominee for director if more people have been nominated for director than can be elected;
- (h) Approve any contract or transaction to which the corporation is a party and in which one or more of its directors has a material financial interest.

2. Meetings and Action of Committees. Meetings and actions of committees of the board shall be governed by, held, and taken under the provisions of these bylaws concerning meetings and other board actions, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The board may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the board has not adopted rules, the committee may do so.

K. Compensation and Reimbursement. Directors and members of committees of the board, may receive such compensation, if any, for their services as directors or officers, and such reimbursements of expenses, as the board may establish by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted.

2. Plenary

A. Place, annual and special meetings

1) Place of Meeting. Meetings of members shall be held at any place within or outside Southwest Alabama designated by the Steering Board.

2) Regular Meetings. The Plenary shall meet once a quarter.

2) Special Meetings: Persons Authorized to Call. Special meetings of the Plenary may be called at any time by the Steering Board.

3) Proper Business of Special Meeting. No business, other than the business of the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

B. Notice Requirement for Plenary Meetings. It is the responsibility of representatives sent to the Steering Board by each member institution to inform all eligible members of their LOM of Plenary Meeting dates and agenda items. Failure by their representative to inform the LOM members of the time, date, location and agenda of a Plenary Meeting does not impede in any way the holding of that meeting.

- C. Quorum Percentage Required. Qualified members who attend constitute a quorum regardless of their number.
- D. Voting
- 1) Plenary decisions shall be made by vote.
 - 2) Eligibility to Vote. Subject to the provisions of the ~~California Nonprofit Public Benefit Corporation Law~~, members entitled to vote at any meeting of members shall be members in good standing as of the record date determined under Section 10 of these Bylaws.
 - 3) Manner of Casting Votes. Voting may be by voice, showing of hands, or ballot, except that any election of officers must be by ballot if demanded by any member at the meeting before the voting begins.
 - 4) Voting. Each member entitled to vote shall be entitled to cast one vote on each matter submitted to vote of the members. A member may not cumulate votes for the election of officers.
- E. Action Without a Meeting & Proxies. A member must be present at the Plenary meeting in order to vote.
- F. Compensation and Reimbursement. Directors and members of committees of the board, may receive such compensation, if any, for their services as directors or officers, and such reimbursements of expenses, as the board may establish by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted.

Section IX Officers

1. Steering Board

- A. Offices Held. The officers of this corporation shall be a president, a secretary, and a chief financial officer. The corporation, at the board's discretion, may also have a chairman of the board, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers.
- B. Election of Officers. Except for the Chairman of the Board, the officers of this corporation shall be chosen annually by the board and shall serve at the pleasure of the board, subject to the rights of any officer under any employment contract. The chairman of the board shall be chosen semi-annually.
- C. Appointment of Other Officers. The board may appoint and authorize the chairman of the board, the president, or another officer to appoint any other officers that the corporation may require. Each appointed officer shall have the title and authority, hold

office for the period, and perform the duties specified in the bylaws or established by the board.

- D. Removal of Officers. Without prejudice to the rights of any officer under an employment contract, the board may remove any officer with or without cause. An officer who was not chosen by the board may be removed by any other officer on whom the board confers the power of removal.
- E. Resignation of Officers. Any officer may resign at any time by giving written notice to the board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.
- F. Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointments to that office, provided, however, that vacancies need not be filled on an annual basis.
- G. Responsibilities of Officers.
 - 1. Chairman of the Board. If a chairman of the board of directors is elected, he or she shall preside at board meetings, assist in planing the agenda, and shall exercise and perform such other powers and duties as the board may assign from time to time. If there is no president, the chairman of the board shall also be the chief executive officer and shall have the powers and duties of the president of the corporation set forth in these bylaws. At no point can the Chairman of the Board speak for the corporation without approval of the board.
 - 2. President and Chief Executive Officer. Subject to such supervisory powers as the board may give to the chairman of the board, if any, and subject to the control of the board, the president/chief executive officer shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. The president/ chief executive officer or his designee shall preside at all members' meetings and, in the absence of the chairman of the board, or if none, at all board meetings. The president/chief executive officer shall have such other powers and duties as the board or the bylaws may require.
 - 3. Vice Presidents. If the president is absent or disabled, the vice presidents, if any, in order of their rank as fixed by the board, or, if not ranked, a vice president designated by the board, shall perform all duties of the president. When so acting, a vice president shall have all powers of and be subject to all restrictions on the president. The vice presidents shall have such other powers and perform such other duties as the board or the bylaws may require.
 - 4. Secretary. The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, (a) a book of minutes of all meetings, proceedings, and actions of the board, of committees

of the board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; the names of persons present at board and committee meetings; and the number of members present or represented at members' meetings. (b) The secretary shall keep or cause to be kept, at the principal office, a copy of the articles of incorporation and bylaws, as amended to date. (c) The secretary shall keep or cause to be kept, at the corporation's principal office or at a place determined by resolution of the board, a record of the corporation's members, showing each member's name, address, and class of membership.

5. Chief Financial Officer. The chief financial officer shall keep and maintain, or cause to be kept and maintained, (a) adequate and correct books and accounts of the corporation's properties and transactions. (b) The chief financial officer shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board. The books of account shall be open to inspection by any director at all reasonable times. (c) The chief financial officer shall (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate; (ii) disburse, or cause to be disbursed, the corporation's funds as the board may order; (iii) render to the president, chairman of the board, if any, and the board, when requested, an account of all transactions as chief financial officer and of the financial condition of the corporation; and (iv) have such other powers and perform such other duties as the board or the bylaws may require. (d) If required by the board, 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 the office and for restoration to the corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the chief financial officer on his or her death, resignation, retirement, or removal from office.

- H. Maintenance of Corporate Records. This corporation shall keep:
 1. Adequate and correct books and records of account;
 2. Written minutes of the proceedings of its members, if any, the board of directors, and committees of the board;
 3. A record of each member's name, address, and class of membership, if any.
- I. Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.
- J. Indemnification
 - 1) Right of Indemnity. To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described

in Corporations Code section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

- 2) Approval of Indemnity. On written request to the board by any person seeking indemnification under Corporations Code section 5238(b) or section 5238(c), the board shall promptly decide under Corporations Code section 5238(e) whether the applicable standard of conduct set forth in Corporations Code section 5238(b) or section 5238(c) has been met and, if so, the board shall authorize indemnification. If the board cannot authorize indemnification, because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the board shall promptly call a meeting of members. At that meeting, the members shall determine under Corporations Code section 5238(e) whether the applicable standard of conduct has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.
- 3) Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under Sections X(a) and (b) of these bylaws in defending any proceeding covered by those Sections shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the corporation for those expenses.

- K. Loans to Directors and Officers This corporation shall not lend any money or property to or guarantee the obligation of any director or officer without the approval of the California Attorney General; provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that director or officer would be entitled to reimbursement for such expenses by the corporation.
- L. Insurance . This corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, director's, employee's, or agent's status as such.
- M. Contracts with Directors and Officers
 1. No director of this corporation nor any other corporation, firm, association, or other entity in which one or more of this corporation's directors are directors or have a material financial interest, shall be

interested, directly or indirectly, in any contract or transaction, unless (a) the material facts regarding that director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the board prior to the board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the board by a vote sufficient for that purpose without counting the votes of the interested directors; (c) before authorizing or approving the transaction, the board considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) the corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction is entered into.

2. This Section does not apply to a transaction that is part of an educational or charitable program of this corporation if it (a) is approved or authorized by the corporation in good faith and without unjustified favoritism and (b) results in a benefit to one or more directors or their families because they are in the class of persons intended to be benefitted by the educational or charitable program of this corporation.

2 Officers of the Plenary. The Chairman of the Steering Board or the President shall facilitate meetings of the Plenary.

Section X Required Records and Reports

1. Steering Board

- A. Annual Report. The board shall cause an annual report to be sent to the directors within one hundred twenty (120) days after the end of the corporation's fiscal year. That report shall contain the following information, in appropriate detail:
 - (i) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
 - (ii) The principal changes in assets and liabilities, including trust funds;
 - (iii) The corporation's revenue or receipts, both unrestricted and restricted to particular purposes;
 - (iv) The corporation's expenses or disbursements for both general and restricted purposes;
 - (v) An independent accountant's report or, if none, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the corporation's books and records.
- B. This requirement of an annual report shall not apply if the corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the

information specified above for inclusion in an annual report must be furnished annually to all directors who request it in writing.

2. Plenary. No reports shall be required from the Plenary.

CERTIFICATE OF SECRETARY
OF
~~NORTH SAN DIEGO COUNTY SPONSORING COMMITTEE,~~
~~A California Nonprofit Public Benefit Corporation~~

I certify that I am the duly elected and acting Secretary of ~~NORTH SAN DIEGO COUNTY SPONSORING COMMITTEE,~~ a ~~California Nonprofit Public Benefit Corporation,~~ and that the above bylaws are the bylaws of this corporation, as amended as of the date shown at the bottom of each page.

Executed on ~~March 25, 2008 at Oceanside, California.~~

~~Alma Boone~~
Secretary