

RESTATED BYLAWS
OF
BIG SUR CHAMBER OF COMMERCE

TABLE OF CONTENTS

Section	Page No.
ARTICLE I – OFFICES	
Section 1.1 Principal Office.....	1
ARTICLE II - PURPOSES	
Section 2.1 General and Specific Purposes; Limitations.....	1
Section 2.2 Tax Exempt Status	2
Section 2.3 Governing Law	2
ARTICLE III – MEMBERSHIP	
Section 3.1 Members	2
Section 3.2 Voting and Other Membership Rights.....	2
Section 3.3 Membership Dues and Fees; Members in Good Standing.....	3
Section 3.4 Termination of Membership	3
Section 3.5 Memberships Not Transferable.....	3
ARTICLE IV – MEETINGS AND ACTIONS OF THE MEMBERS	
Section 4.1 Annual Meeting	3
Section 4.2 Special Meetings.....	3
Section 4.3 Procedure for Calling Special Meeting.....	4
Section 4.4 Purpose of Special Meeting	4
Section 4.5 Written Notice Required	4
Section 4.6 Required Notice of Certain Agenda Items.....	4
Section 4.7 Notice Requirements.....	4
Section 4.8 Quorum	5
Section 4.9 Voting	5
Section 4.10 Proxies.....	5
Section 4.11 Action by Unanimous Written Consent.....	5
Section 4.12 Action by Written Ballot.....	6
ARTICLE V – BOARD OF DIRECTORS	
Section 5.1 Power of Board	6
Section 5.2 Number of Directors	6
Section 5.3 Nominations, Election and Term of Office.....	7
Section 5.4 Resignation	7
Section 5.5 Removal Without Cause	7
Section 5.6 Removal for Cause.....	8
Section 5.7 Vacancies on Board of Directors	8
ARTICLE VI - MEETINGS AND ACTIONS OF THE BOARD OF DIRECTORS	
Section 6.1 Place of Meetings.....	8
Section 6.2 Annual Meetings.....	8
Section 6.3 Regular Meeting.....	8
Section 6.4 Special Meetings.....	8

Section 6.5	Quorum and Action of the Board.....	9
Section 6.6	Participation in Meetings	9
Section 6.7	Waiver of Notice.....	9
Section 6.8	Action Without Meeting	9
Section 6.9	Committees	10
Section 6.10	Meetings and Actions of Committees.....	10
Section 6.11	Fees and Compensation	10
ARTICLE VII - OFFICERS		
Section 7.1	Officers	11
Section 7.2	Election	11
Section 7.3	Subordinate Officers	11
Section 7.4	Removal and Resignation	11
Section 7.5	Vacancies	11
Section 7.6	Chair of the Board.....	11
Section 7.7	President.....	12
Section 7.8	Vice President	12
Section 7.9	Secretary	12
Section 7.10	Treasurer	12
Section 7.11	Executive Director	12
Section 7.12	Contracts with Directors	12
Section 7.13	Loans to Directors and Officers.....	13
ARTICLE VIII -INDEMNIFICATION, INSURANCE AND DIRECTOR LIABILITY		
Section 8.1	Indemnification.....	13
Section 8.2	Personal Liability of Volunteer Directors and Executive Officers.....	14
Section 8.3	Insurance	14
ARTICLE IX -MAINTENANCE AND INSPECTION OF BOOKS AND RECORDS; ANNUAL REPORTS		
Section 9.1	Maintenance of Corporate Records	14
Section 9.2	Regular Members' Inspection of Membership List	14
Section 9.3	Regular Members' Inspection of Accounting Records and Minutes.....	15
Section 9.4	Members' Inspection of Articles and Bylaws.....	15
Section 9.5	Director's Right of Inspection	15
Section 9.6	Annual Report.....	16
Section 9.7	Annual Statement of Certain Transaction and Indemnifications.....	16
ARTICLE X-MISCELLANEOUS		
Section 10.1	Fiscal Year	17
Section 10.2	Checks, Notes and Contracts	17
Section 10.3	Amendment of Articles of Incorporation.....	17
Section 10.4	Amendment of Bylaws	17

ARTICLE I OFFICES

Section 1.1 Principal Office. The principal office of this corporation shall be located at 46800 Highway 1, Big Sur, California 93920, or at such other address in the State of California as the board of directors shall from time to time determine. The corporation may establish or maintain additional offices in the County of Monterey, State of California, as the board of directors may determine.

ARTICLE II PURPOSES

(a) **Section 2.1 General and Specific Purposes; Limitations.** This corporation is a nonprofit mutual benefit corporation organized under the California Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such Law. Specifically, this corporation is formed to promote, advance and support businesses located in Big Sur, California, or that otherwise serve the Big Sur community. In furtherance of the above stated purposes, this corporation shall:

- a. Develop and administer programs and events that promote, advance and support the interests of businesses located in Big Sur, California, or that otherwise serve the Big Sur community, including, specifically and without limitation, programs and events that promote tourism in Big Sur, California;
- b. Educate businesses that are located in Big Sur or otherwise serve the Big Sur community about, and engage advocacy with respect to, legislative and regulatory developments as the federal, state and local level that affect businesses located in Big Sur or otherwise serve the Big Sur community;
- c. Provide networking opportunities for businesses located in Big Sur or that otherwise serve the Big Sur community that will benefit such businesses and their agents and representatives professionally and economically; and
- d. Promote and support programs and events of third parties (including, without limitation, other nonprofit organizations) of a civic, social and cultural nature which promote tourism in Big Sur, California, or otherwise benefit the Big Sur community; and
- e. Engage in such other activities as are consistent with the above stated purposes as determined by the board of directors of the corporation.

Notwithstanding any other provision of these bylaws, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise and powers that are not in furtherance of the purposes of this corporation, and this corporation shall not carry on any activities not permitted to be carried on by a corporation exempt from federal income tax under Internal Revenue Code

§501(c)(6) or the corresponding provision of any future United States internal revenue law. Specifically, this corporation shall not endorse or oppose any candidate for political office.

Section 2.2 Tax Exempt Status. No part of the net earnings of this corporation shall inure to the benefit of any member, officer, director or other individual as defined in Internal Revenue Code section 501(c)(6). This corporation is not organized for profit and shall not, except to an insubstantial degree, engage in any business or activity ordinarily carried out for profit.

Section 2.3 Governing Law. The provisions of the California Mutual Benefit Corporation Law (sometimes referred to herein as the “Law”) shall govern the conduct of the affairs of the corporation, except as otherwise provided or modified herein or in the articles of incorporation to the extent permitted by the Law.

ARTICLE III MEMBERSHIP

Section 3.1 Members. This corporation shall have two (2) classes of members designated “Regular Members” and “Associate Members” as follows:

(a) Regular Members. Any individual, married couple or business entity that owns and operates a business located in the Big Sur Service Area (as defined below) shall be eligible for membership in the corporation as a Regular Member. Such individual, married couple, or business entity shall be admitted as a Regular Member upon completion and acceptance of such membership application as approved by the board of directors and the payment of the annual dues established from time to time by the board of directors for a Regular Member. The board of directors may elect not to accept any membership, including the membership of any business that is not properly licensed or otherwise lawfully conducted. A single membership shall be issued to each business that applies for membership and pays the dues required regardless of the number of owners of such business; provided that any individual, married couple or business entity that owns more than one business in the Big Sur Service Area may apply for and pay dues for each such business and hold more than one membership. For purpose of these bylaws, the “Big Sur Service Area” shall mean the geographic area bounded by Carmel River to the north, and Van Gordon Creek to the south, and that is no more than 10 miles east of Highway One between such points.

(b) Associate Members. Any individual, married couple, or business entity that owns and operates and business that serves the Big Sur community or that is otherwise interested in the promotion and advancement of the businesses located in Big Sur, California, shall be eligible for membership as an Associate Member. Such individuals, married couples, or business entities shall be admitted as an Associate Member upon completion and acceptance of such membership application as approved by the board of directors and the payment of the annual dues established from time to time by the board of directors for Associate Members.

Section 3.2 Voting and Other Membership Rights. Regular Members in good standing shall have the right to vote, as set forth in these bylaws, on the election of directors, on the disposition of all or substantially of the corporation’s assets, on any merger or other corporate transaction requiring the approval of the members under the Law and on any election to dissolve

the corporation. Each Regular Member shall have one (1) vote and, if other than an individual, shall designate the individual, agent or representative who shall have the authority to vote the membership interest held by such Regular Member. Regular Members shall have all other rights as are afforded to “members” under the Law. Associate Members shall have no voting or other rights afforded “members” under the Law but shall have such right to participate in the programs, activities and event organized by the corporation as the board of directors shall determine.

Section 3.3 Membership Dues and Fees; Members in Good Standing. Each Regular Member and Associate Member must pay, within the time established by the board of directors, the annual dues and fees fixed from time to time by the board of directors. Members, who have paid all required dues and fees within the time period required and have not otherwise terminated their membership or had their memberships terminated shall be “members in good standing.” Only Regular Members in good standing shall have the right to vote.

Section 3.4 Termination of Membership. A membership shall terminate on the occurrence of any of the following events:

- (a) Resignation of the member;
- (b) Expiration of the period for membership, unless the membership is renewed within the time period fixed by the board of directors;
- (c) The member’s failure to pay any dues or fees within the time period established for payment by the board of directors; or
- (d) At the election of the board of directors if any other event renders the member ineligible for membership.

Section 3.5 Memberships Not Transferable. No membership or right arising from membership shall be transferable and any action to taken to transfer any membership shall be null and void. All membership rights shall cease on the death of any individual member and upon the dissolution of any business entity.

ARTICLE IV MEETINGS AND ACTIONS OF THE MEMBERS

Section 4.1 Annual Meeting. An annual meeting of Regular Members shall be held annually in November of each year at such time and place in Big Sur, California, as the board of director may determine. Unless elected by written ballot, directors shall be elected at the annual meeting of the Regular Members. Subject to Sections 4.4 and 4.6 of these bylaws, any other proper business may be transacted at the annual meeting of the Regular Members.

Section 4.2 Special Meetings. The board of directors, the Chair of the Board (if any), the President, the Vice President (if any), the Treasurer, or any two (2) or more directors, or five percent (5%) or more of the Regular Members may call a special meeting of the Regular Members for any lawful purpose at any time.

Section 4.3 Procedure for Calling Special Meeting. A special meeting called by any person entitled to call a special meeting of the Regular Members shall be called by written request specifying the general nature of the business proposed to be transacted and addressed to the attention of and submitted to the Chair of the Board (if any), the President or the Secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the Regular Members entitled to vote stating that a meeting will be held at a specified time, date and place fixed by the board. However, the meeting date shall be at least 35 but no more than 90 days after receipt of the request. If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the date, time or place at which a meeting of the Regular Members may be held when the meeting is called by the board or directors.

Section 4.4 Purpose of Special Meeting. No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting of the Regular Members.

Section 4.5 Written Notice Required. Whenever the Regular Members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given to each Regular Member entitled to vote at that meeting. The notice shall specify the place, date, and time of the meeting. For the annual meeting, the notice shall state the matters that the board of directors intends, at the time notice is given, to present for action by the Regular Members. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given. Except as provided in Sections 4.4 and 4.6 of these bylaws, any proper matter may be presented at the meeting.

Section 4.6 Required Notice of Certain Agenda Items. Approval by the Regular Members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice of the meeting or a written waiver of notice states the general nature of the proposal or proposals:

- (a) Removing a director without cause;
- (b) Filling vacancies on the board of directors;
- (c) Amending the articles of incorporation; or
- (d) Electing to wind up and dissolve the corporation.

Section 4.7 Notice Requirements. Notice of any meeting of Regular Members shall be in writing and shall be given at least 10 but no more than 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 (e.g. facsimile or electronic mail) as authorized by the Law, charges prepaid, and shall be addressed to each Regular Member entitled to vote, at the address (or facsimile number or email address) of that Regular Member as it appears on the books of the corporation or at the address (or facsimile number or email address) given by the Regular 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 Regular Member by first-class mail or other written communication (e.g. facsimile or electronic mail) 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.

Section 4.8 Quorum. One-third (1/3) of the Regular Members, present in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the Regular Members.

Section 4.9 Voting. Subject to the Law, each Regular Member in good standing on the record date for any meeting of the Regular Members, as established by the board of directors in accordance with the Law, shall be entitled to one (1) vote at any meeting of the Regular Members. Voting may be by voice or by ballot, except that any election of directors must be by ballot if demanded before the voting begins by any Regular Member at the meeting. Each Regular Member entitled to vote may cast one vote on each matter submitted to a vote of the Regular Members. If a quorum is present, the affirmative vote of a majority of the Regular Members represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the Regular Members unless the vote of a greater number, or voting by classes, is required by the Law or by the articles of incorporation.

Section 4.10 Proxies. Each Regular Member 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 Regular Member and filed with the Secretary of the corporation. A proxy shall be deemed signed if the Regular Member's name is placed on the proxy by the Regular Member or his or her attorney-in-fact, whether by manual signature, typewriting, facsimile transmission, or otherwise.

No proxy shall be valid after the expiration of 11 months from the date of the proxy, unless provided otherwise in the proxy, except that the maximum term of a proxy shall be 3 years after the date of execution. A validly executed proxy shall continue in full force and effect until either:

(1) It is revoked by the Regular Member executing it, before the vote is cast under that proxy, (a) by a writing delivered to the corporation stating that the proxy is revoked, or (b) by a subsequent proxy executed by that Regular Member and presented to the meeting, or (c) as to any meeting, by that Regular Member's personal attendance and voting at the meeting; or

(2) Written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote under that proxy is counted.

The revocability of a proxy that states on its face that it is irrevocable shall be governed by Corporations Code §7613.

Section 4.11 Action by Unanimous Written Consent. Any action required or permitted to be taken by the Regular Members may be taken without a meeting if all Regular Members consent in writing to the action. The written consent or consents shall be filed with the minutes of

the meeting. The action by written consent shall have the same force and effect as a unanimous vote of the Regular Members.

Section 4.12 Action by Written Ballot. Any action that Regular Members may take at any meeting of the Regular Members may also be taken without a meeting by complying with this Section 4.12.

(a) Solicitation of Ballots. This corporation shall distribute one written ballot to each Regular Member entitled to vote on the matter. The ballot and any related material may be sent by any means permitted by the Law. All solicitations of votes by written ballot shall (1) state the number of responses needed to meet the quorum requirement; (2) state, with respect to ballots other than for election of directors, 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 (i) set forth the proposed action; (ii) give the Regular Members an opportunity to specify approval or disapproval of each proposal; and (iii) provide a reasonable time in which to return the ballot to the corporation. In any election of directors, a written ballot that a Regular Member marks “withhold,” or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted for the election of a director.

(b) Approval Requirements. Approval by written ballot shall be valid only when (i) the number of votes cast by ballot (including 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 (ii) 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. A written ballot may not be revoked.

ARTICLE V BOARD OF DIRECTORS

Section 5.1 Power of Board. Subject to the provisions and limitations of the Law and any other applicable laws, the activities and affairs of this corporation shall be conducted by, and all corporate powers shall be exercised by or under the direction of, the board of directors. The board of directors may, subject to the limitations set forth in Section 6.9 below, delegate the management of the activities of the corporation to any person or persons, or committee or committees, however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the board of directors.

Section 5.2 Number of Directors. The board of directors shall consist of no less than three (3) and no more than seven (7) directors, unless and until changed by a resolution duly adopted by the Regular Members. The exact number of authorized directors shall be fixed at five (5) within the above range until changed by resolution duly adopted by the board of directors or the Regular Members. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of that director’s term of office unless the resolution

approving the reduction or the amendment to these bylaws which provides for such reduction also provides for the removal of one or more specified directors.

Section 5.3 Nominations, Election and Term of Office.

(a) Nomination. At least thirty-five (35) days before the date of any election of a director or directors, the board of directors or a nominating committee (the “Nominating Committee”), comprised of not less than two (2) and no more than five (5) persons appointed by the board of directors, shall nominate persons for election the board of directors. The Secretary of the corporation shall forward to the Regular Members a list of all candidates nominated by the board of directors no less than thirty (30) days before any meeting of the Regular Members at which director(s) are to be elected. Regular Members may petition for additional candidates to be added to the slate of candidates to be considered for appointment to the board of directors; provided that (i) any such petition is made by Regular Member holding no less than two percent (2%) of the voting power of the Regular Members and in no event by fewer than three (3) Regular Members, and (ii) such nomination is received no later than fifteen (15) days before the meeting so that the names of such candidates may be included in the notice of the meeting.

(b) Election. At the meeting of the Regular Members at which directors are to be elected, each Regular Member shall be entitled to vote to either accept or reject a candidate. The candidates receiving the highest number of affirmative votes shall be elected. Votes cast against any candidate and votes withheld shall have no effect.

(c) Term of Office. The directors shall hold office for a term of two (2) years. Directors elected at the annual meeting of the Regular Members held in November each year shall take office as of January 1st of the upcoming calendar year. Each director, including a director elected to fill a vacancy, shall hold office until the expiration of the term for which he or she (or his or her predecessor) was elected and until his or her successor is elected and qualified.

Section 5.4. Resignation. Any director may resign effective upon giving written notice (including, without limitation, by electronic mail) to the Chair of the Board (if any), the President, the Secretary, or the board of directors, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective. Except upon notice to the California Attorney General, no director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs.

Section 5.5 Removal Without Cause. Any director may be removed from office without cause by the affirmative vote of a majority of all Regular Members if the corporation has fewer than fifty (50) Regular Members. In the event the corporation has fifty (50) or more Regular Members, any director may be removed without cause by vote of a majority of the Regular Members present at a duly called meeting of the Regular Members at which quorum is present (with the affirmative votes constituting a majority of quorum), provided notice is given of the meeting in accordance with Sections 6.3 and 6.4 of these bylaws. A director may also be removed for cause in accordance with the provisions of Section 5.6 below.

Section 5.6 Removal for Cause. The board of directors may by resolution declare vacant the office of any director who (a) has been declared of unsound mind by a final order of court, or convicted of a felony, or found by final order or judgment of any court to have breached a duty under the California Nonprofit Corporation Law, or (b) fails to attend three (3) meetings of the board of directors in any fiscal year, or (c) fails to meet all of the required qualifications (if any) to be director in effect at the beginning of a director's current term of office. A director may also be removed by the Superior Court of the County of Monterey in the case of fraudulent or dishonest acts, gross abuse of authority or discretion or breach of fiduciary duty in accordance with the provisions of §7223 of the Nonprofit Mutual Benefit Corporation Law.

Section 5.7 Vacancies on Board of Directors. A vacancy on the board of directors shall occur in the event of the death, resignation or removal of any director, or if the authorized number of directors is increased or the Regular Members fail to elect the number of directors required to be elected at any meeting of the Regular Members called for purposes of electing directors. Except for vacancies on the board of directors created by the removal of a director by the Regular Members, vacancies on the board of directors may be filled by approval of the board of directors or, if the number of directors then in office is less than quorum, by (i) the unanimous written consent of the directors then in office, (ii) the affirmative vote of a majority of directors then in office as a meeting of the directors held according to notice or waiver of notice complying with §7211 of the Law, or (iii) the sole remaining director. The Regular Members may, at any time, elect a director to fill any vacancy on the board of directors not filled by the directors and shall fill any vacancy created by the removal of a director by the Regular Members. A director elected to fill a vacancy on the board of directors shall hold office until the expiration of the term of office of the director whose departure created the vacancy filled unless the board of directors or Regular Members shall otherwise determine.

ARTICLE VI MEETINGS AND ACTIONS OF THE BOARD OF DIRECTORS

Section 6.1 Place of Meetings. Meetings of the board of directors may be held at any place within the Big Sur Service Area in the State of California which has been designated in the notice of the meeting or, if not stated in the notice or there is no notice, at the principal office of the corporation.

Section 6.2 Annual Meetings. The board of directors shall hold an annual meeting for the purpose of electing the officers of the corporation, and all other business as may properly come before the board of directors. Annual meetings of the board of directors shall be held on such other date and time as shall be designated by the board of directors.

Section 6.3 Regular Meetings. Regular meetings of the board of directors shall be held on such regular dates as the board of directors shall determine. Any member of the board of directors who is unable to attend any regular meeting of the board of directors shall notify the Secretary of the corporation of their unavailability prior to the meeting.

Section 6.4 Special Meetings. Special meetings of the board of directors for any purpose or purposes may be called at any time by the Chair of the Board (if any), the President, the

Vice President, (if any) the Secretary or any two (2) directors. Notice of the time and place of special meetings shall be delivered personally or by telephone (including a voice messaging or other system designed to record and communicate messages) or sent by first-class mail, charges prepaid, or by facsimile, email or other electronic means addressed to each director at that director's address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. If the notice is delivered personally or by telephone or by facsimile, email or other electronic means it shall be delivered at least forty-eight (48) hours before the time of the holding of the meeting. The verbal notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice, or waiver of notice, need not specify the purpose of the meeting.

Section 6.5 Quorum and Action of the Board. A majority of the authorized directors, as determined pursuant to Section 5.2 of these bylaws, shall constitute a quorum of the board of directors for the transaction of business, except for purposes of adjournment as provided under the law. Unless a greater number is required by the law, the articles of incorporation or these bylaws, every action taken or decision made by a majority of directors present at a duly held meeting at which quorum is present shall be an act of the board of directors, subject to the more stringent provisions of the California Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (b) creation of and appointments to committees of the board, and (c) indemnification of directors. Except as otherwise provided in these bylaws or under the Law, a meeting at which quorum is initially present may continue to transact business, despite the withdrawal of some directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 6.6 Participation in Meetings. Members of the board of directors may participate in a meeting through the use of conference telephone, electronic video screen communication, or other means of communications if all of the following apply: (a) each member participating in the meeting can communicate with all of the other members concurrently, and (b) each member is provided the means of participating in all matters before the board of directors, including the capacity to propose or to interpose an objection to a specific action to be taken by the corporation. Participation in a meeting pursuant to this Section 6.6 constitutes presence in person at such meeting.

Section 6.7 Waiver of Notice. Notice of a meeting need not be given to any director who signed a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 6.8 Action Without Meeting. Any action required or permitted to be taken by the board of directors may be taken without a meeting, if all members of the board of directors consent in writing to such action. Such action by written consent shall have the same force and

effect as any other action taken by the board at a duly called meeting at which quorum is present. Such written consent or consents shall be filed with the minutes of the proceedings of the board of directors.

Section 6.9 Committees. The board of directors may, by resolution adopted by a majority of the number of directors then in office, create one or more committees, each consisting of two or more directors (and no one who is not a director), to serve at the pleasure of the board of directors. Appointments to such committees shall be by a majority vote of the number of directors then in office. The board of directors may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting of the committee. Any such committee shall have all the authority of the board of directors to the extent provided in the board resolution or resolutions creating and empowering the committee; provided that, no committee may do any of the following:

- (a) Take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, requires the approval of the members or approval of a majority of members of a nonprofit mutual benefit corporation;
- (b) Elect directors or fill vacancies on the board of directors;
- (c) Fix compensation of the directors for serving on the board or any committee of the board of directors;
- (d) Amend or repeal bylaws or adopt new bylaws;
- (e) Amend or repeal any resolution or action taken by 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, including any appointments to fill vacancies on committees of the board of directors;
- (g) Expend corporate funds to support a nominee for director.

Section 6.10 Meetings and Actions of Committees. Meetings and actions of committees of the board of directors shall be governed by, held and taken under the provisions of this Article VI applicable to meetings and actions of the board of directors; except that the time and place for meetings of such committees and the calling of special meetings of committee can be set either by board resolution or the resolution of the committee. The board may adopt rules for the governance of any committee as are consistent with these bylaws. If the board had not adopted rules, the committee may do so.

Section 6.11 Fees and Compensation. The corporation shall not pay any compensation to directors for services rendered to the corporation as a director, except that directors may be reimbursed for expenses incurred in the performance of their duties to the corporation in reasonable amounts as approved by the board of directors.

ARTICLE VII OFFICERS

Section 7.1 Officers. The officers of the corporation shall be a President, a Vice President (if appointed), a Secretary, and a Treasurer. The corporation may have, at the discretion of the board of directors, an Assistant Secretary and such other officers as may be elected or appointed in accordance with the provisions of Section 7.3 of this Article VII. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as President or Chair of the Board. The officers of the corporation shall be selected and appointed from, and shall concurrently serve as, members of the board of directors, excepting that any Assistant Secretary need not also be a member of the board of directors.

Section 7.2 Election. The officers of the corporation (except such officers as may be elected or appointed in accordance with the provisions of Section 7.3 of this Article VII), shall be chosen bi-annually to serve for terms of two (2) years (except as may otherwise be provided by the board of directors upon appointment) and shall serve at the pleasure of the board of directors. Officers shall hold their respective offices until their resignation, removal, or other disqualification from service and until their respective successors are elected and qualify.

Section 7.3 Subordinate Officers. The board of directors may elect, and may empower the President to appoint, such other officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the board of directors from time to time may determine.

Section 7.4 Removal and Resignation. Officers serve at the pleasure of the board of directors. Any officer may be removed with or without cause by the board of directors at any time or, in the case of an officer not chosen by the board of directors, by any officer upon whom such power of removal may be conferred by the board of directors. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment. Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 7.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

Section 7.6 Chair of the Board. The Chair of the Board shall preside at all meetings of the board of directors and shall determine, in consultation with the President and Executive Director of the corporation, the agenda for all meetings of the Regular Members and board of directors. The Chair of the Board shall have such other duties as assigned to him or her from time to time by the board of directors.

Section 7.7 President. The President shall act as the chief executive officer of the corporation and, subject to the control of the board of directors, shall be responsible for the general supervision, direction, and control of the business and officers of the corporation, including, without limitation, the Executive Director. The President shall preside at all meetings of the board of directors and hold the title “Chair of the Board” absent the appointment of a different person to serve as Chair of the Board.

Section 7.8 Vice President. In the absence or disability of the President, the Vice President (if appointed) 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 President shall have such other powers and perform such other duties as from time to time may be prescribed for him or her by the board of directors.

Section 7.9 Secretary. The Secretary shall keep, or cause to be kept, at the principal office of the corporation or such other place as the board of directors may order, a book of minutes of all meetings of the board of directors and its committees. The minutes shall include the time and place of meetings, whether regular or special, and if special, how authorized, the notice thereof given, and the names of those present and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of the corporation’s articles of incorporation and bylaws, as amended to date. The Secretary shall give, or cause to be given, notice of all meetings of the board of directors and its committees required by law or by these bylaws to be given, and shall have such other powers and perform such other duties as may be prescribed by the board of directors.

Section 7.10 Treasurer. The Treasurer shall serve as the chief financial officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the properties and business transactions of the corporation. The Treasurer shall prepare, in consultation with the Executive Director (if any), an annual budget for the corporation for review and approval by the corporation. The Treasurer shall cause to be given to the directors such financial statements and reports as are required to be given by law, these bylaws or by the board of directors. The Treasurer 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. The Treasurer shall disburse the funds of the corporation as may be ordered by the board of directors or as is consistent with the annual budget approved and adopted by the board of directors and shall render to the President and the board of directors, whenever requested, an account of all financial transactions of the corporation and of the financial condition of the corporation. The Treasurer shall have such other powers and perform such other duties as may be prescribed by the board of directors.

Section 7.11 Executive Director. The corporation may have an Executive Director who shall supervise and manage the day-to-day affairs of the corporation and who may be compensated for their services as determined by the board of directors from time to time.

Section 7.12 Contracts with Directors. 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 other transaction with this corporation unless (1) the material facts as to the transaction and such director's interest are fully disclosed or known to the Regular Members and such contract or transaction is approved by the Regular Members in good faith, with any membership owned by any interested director not being entitled to vote thereon, or (2) the material facts regarding such 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 are noted in the minutes or are known to all board members before consideration by the board of directors of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the board of directors without counting the vote of the interested director.

Section 7.13 Loans to Directors and Officers. This corporation shall not lend any money or property to, or guarantee the obligation of or any director or officer of the corporation unless (1) the board of directors decides that the loan or guaranty may reasonably be expected to benefit the corporation, and (2) before consummating the transaction or any part of it, the loan or guaranty is approved by either the Regular Members, without counting the vote of the director or officer (if also a Regular Member), or the vote of a majority of the directors then in office, without counting the vote of the director who is to receive the loan or guaranty.

ARTICLE VIII INDEMNIFICATION, INSURANCE AND DIRECTOR LIABILITY

Section 8.1 Indemnification. To the fullest extent permitted by law, this corporation shall indemnify its directors and officers, and may indemnify employees and other persons described in Corporations Code §7237(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.

On written request to the board by any person seeking indemnification under Corporations Code §7237(b) or §7237(c), the board shall promptly decide under Corporations Code §7237(e) whether the applicable standard of conduct set forth in Corporations Code §7237(b) or §7237(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 Regular Members. At that meeting, the Regular Members shall determine under Corporations Code §7237(e) whether the applicable standard of conduct has been met and, if so, the Regular Members present at the meeting in person or by proxy shall authorize indemnification.

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 Corporations Code §7237(b) or §7237(c) 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.

Section 8.2 Personal Liability of Volunteer Directors and Executive Officers. To the fullest extent permitted by the California Nonprofit Mutual Benefit Corporation Law, as now in effect or as may hereafter be amended, there shall be no personal liability to a third party for monetary damages on the part of a volunteer director or volunteer executive officer of the corporation, caused by the director's or officer's negligent act or omission in the performance of that person's duties as a director or officer, provided that: (a) the act or omission was within the scope of the director's or executive officer's authority; (b) the duties were performed in good faith; (c) the duties were performed in a manner such director or officer believed to be in the best interest of the corporation, and (d) the duties were performed with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. "Executive Officer" means the Chair of the Board (if any), President, Vice President, Treasurer, Secretary, or Executive Director of the corporation, or other individuals serving in like capacity, who assists in establishing the policy of the corporation.

Section 8.3 Insurance. This corporation shall have the power 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 whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of §7237 of the Corporations Code.

If any part of this Article VIII shall be found in any action, suit or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

ARTICLE IX MAINTENANCE AND INSPECTION OF BOOKS AND RECORDS; ANNUAL REPORTS

Section 9.1 Maintenance of Corporate Records. The corporation shall keep the following:

- (a) Adequate and correct books and records of account;
- (b) Written minutes of the proceedings of its board of directors, and committees of the board of directors;
- (c) A record of each Regular Member's name, address and class of membership.

Minutes shall be kept in written form. Other books and records shall be kept in either written or in any other form capable of being converted into written form.

Section 9.2 Regular Members' Inspection of Membership List. Unless the corporation provides a reasonable alternative as provided below, any Regular Member may do

either or both of the following for a purpose reasonably related to the Regular Member's interest as a Regular Member:

(1) Inspect and copy the records containing Regular Members' names, addresses, and voting rights during usual business hours on five (5) days' prior written demand on the corporation, which must 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 names, addresses, and voting rights of Regular Members who are entitled to vote for directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the Regular Member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the Regular Member on or before the later of 10 days after the demand is received or the date specified in the demand as the date as of which the list is to be compiled.

The corporation may, within 10 business days after receiving a demand under this Section 7.2 make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons the proposed alternative does not meet the proper purpose of the demand.

If the corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a Regular Member, or if it provides a reasonable alternative under this Section, it may deny the Regular Member access to the membership list.

Any inspection and copying under this Section 9.2 may be made in person or by the Regular Member's agent or attorney. The right of inspection includes the right to copy and make extracts. This right of inspection extends to the records of any subsidiary of the corporation.

Section 9.3 Regular Members' Inspection of Accounting Records and Minutes. On written demand on the corporation, any Regular Member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the Regular Members, the board of directors, and committees of the board at any reasonable time for a purpose reasonably related to the Regular Member's interest as a Regular Member. Any such inspection and copying may be made in person or by the Regular Member's agent or attorney.

Section 9.4 Members' Inspection of Articles and Bylaws. This corporation shall keep at its principal office the original or a copy of the articles of incorporation and bylaws, as amended to the current date, that shall be open to inspection by the Regular Members at all reasonable times during office hours. If the corporation has no business office in California, the Secretary shall, on the written request of any Regular Member, furnish to that Regular Member a copy of the articles of incorporation and bylaws, as amended to the current date.

Section 9.5 Director's Right of Inspection. Every director shall have the right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect

the physical properties of the corporation and the records of each subsidiary, if any. 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.

Section 9.6 Annual Report. The board shall cause an annual report to be prepared within 120 days after the end of the corporation's fiscal year. That report shall contain the following information in appropriate detail:

- (1) A balance sheet as of the end of the fiscal year, an income statement, and statement of cash flow for the fiscal year, accompanied by an independent accountant's report or, if none, by the certificate of an authorized officer of the corporation that they were prepared without audit from the corporation's books and records;
- (2) A statement of the place where the names and addresses of current Regular Members are located; and
- (3) Any information required by Section 9.7 of these bylaws.

This corporation shall annually notify each Regular Member of the Regular Member's right to receive a copy of the financial report under this Section. Except as provided in the next paragraph of this bylaw, on written request by a Regular Member, the board shall promptly cause the most recent annual report to be sent to the requesting Regular Member. If the board of directors approves, the corporation may send the report and any accompanying material sent pursuant to this section by electronic transmission.

This Section shall not apply if the corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year.

Section 9.7 Annual Statement of Certain Transactions and Indemnifications. As part of the annual report to all Regular Members, or as a separate document if no annual report is issued, the corporation shall annually prepare and mail, deliver, or send by electronic transmission to its Regular Members and furnish to its directors a statement of any transaction or indemnification of the following kinds within 120 days after the end of the corporation's fiscal year:

- (1) Unless approved by the Regular Members under Corporations Code §7233(a), any transaction (a) to which the corporation, its parent, or its subsidiary was a party, (b) which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50, 000, and (c) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material financial interest):
 - (i) Any director or officer of the corporation, its parent, or its subsidiary;

- (ii) Any holder of more than 10 percent of the voting power of the corporation, its parent, or its subsidiary.

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

- (2) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation of these bylaws, unless the loan, guaranty, indemnification or advance has already been approved by the Regular Members under Corporations Code §5034, or the loan or guaranty is not subject to Corporations Code §7235(a).

ARTICLE X MISCELLANEOUS

Section 10.1 Fiscal Year. The fiscal year of the corporation shall be the twelve (12) month period ending on December 31 of each year, or such other period as may be fixed by the board of directors.

Section 10.2 Checks, Notes and Contracts. The board of directors shall determine who shall be authorized from time to time on the corporation's behalf to sign checks, drafts, or other orders for payment of money; to sign acceptances, notes, or other evidence of indebtedness; to enter into contracts; or to execute and deliver other documents and instruments.

Section 10.3 Amendment of Articles of Incorporation. The Articles of Incorporation of the corporation may be adopted, amended or repealed in whole or in part upon the approval of the board of directors and the Regular Members.

Section 10.4 Amendment of Bylaws.

(a) Board Amendment of Bylaws. Subject to the Regular Members' rights under this Sections 10.4, the board of directors may adopt, amend, or repeal bylaws unless doing so would:

- (1) Materially and adversely affect the Regular Members' rights as to voting, dissolution, redemption, or transfer;
- (2) Set a limit upon or increase or decrease the number of authorized Regular Members in total or for any class;
- (3) Effect an exchange, reclassification, or cancellation of all or part of the memberships; or
- (4) Authorize a new class of membership with voting rights under the Law.

(b) Changes to Number of Directors. Once Regular Members have been admitted to the corporation, the board of directors may not, without the Regular Members' approval, specify or change any bylaw that would

- (1) Fix or change the authorized number of directors;
- (2) Fix or change the minimum or maximum number of directors; or
- (3) Change from a fixed number of directors to a variable number of directors or vice versa.

(c) When Regular Members' Approval Required. Without the approval of the Regular Members, the board of directors may not adopt, amend, or repeal any bylaw that would:

- (1) Increase or extend the terms of directors;
- (2) Allow any director to hold office by designation or selection rather than by election by the Regular Members;
- (3) Increase the quorum for meetings of the Regular Members;
- (4) Repeal, restrict, create, expand, or otherwise change proxy rights; or
- (5) Authorize cumulative voting.

(d) Regular Members May Adopt, Amend, or Repeal Bylaws. New bylaws may be adopted or these bylaws may be amended or repealed by approval of the Regular Members, provided, however, that any such adoption, amendment, or repeal also requires approval by the members of a class if that action would:

- (1) Materially and adversely affect the rights, privileges, preferences, restrictions, or conditions of that class as to voting, dissolution, redemption, or transfer in a manner different than the action affects another class;
- (2) Materially and adversely affect that class as to voting, dissolution, redemption, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class;
- (3) Increase or decrease the number of memberships authorized for that class;
- (4) Increase the number of memberships authorized for another class;
- (5) Effect an exchange, reclassification, or cancellation of all or part of the memberships of that class; or

(6) Authorize a new class of memberships with voting rights under the Law.

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

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

CERTIFICATE OF SECRETARY
OF
BIG SUR CHAMBER OF COMMERCE

The undersigned hereby certifies as follows:

1. I am the duly elected, qualified and acting Secretary of BIG SUR CHAMBER OF COMMERCE, a California nonprofit mutual benefit corporation (the “Corporation”); and,

2. The foregoing Restated Bylaws consisting of nineteen (19) pages were adopted as the bylaws of the Corporation by approval of the members effective as of _____, 2021.

Dated: _____

Diana Ballantyne, Secretary