

BYLAWS OF THE SOUTH BAY SPOT

BYLAWS OF THE SOUTH BAY SPOT A CALIFORNIA MUTUAL BENEFIT CORPORATION

ARTICLE 1: OFFICES

SECTION 1. NAME

The name of this corporation is The South Bay Spot (hereinafter referred to as the "Corporation").

SECTION 2. PRINCIPAL OFFICE

The principal office of the corporation for the transaction of its business is located in Santa Clara County, California.

ARTICLE 2: PURPOSES

SECTION 1. OBJECTIVES AND PURPOSES

The primary objectives and purposes of this corporation shall be to provide a safe supportive atmosphere for members to meet, share and freely communicate for pleasure, recreation and other nonprofit activities, as defined under Internal Revenue Code (IRC) Section 501.

The secondary objectives and purposes of this corporation are to provide its members access to a high-quality, affordable community space in the south bay for meetings, classes, activities, and events.

ARTICLE 3: DIRECTORS

SECTION 1. NUMBER

The corporation shall have **five (5)** directors and collectively they shall be known as the Board of Directors. All of the directors shall be Members in good standing of the Corporation. The number may be changed by amendment of this Bylaw, or by repeal of this Bylaw and adoption of a new Bylaw, as provided in these Bylaws.

SECTION 2. POWERS

Subject to the provisions of the California Nonprofit Mutual Benefit Corporation law and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the members, if any, of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

SECTION 3. DUTIES

It shall be the duty of the directors to perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or the Operating Procedures of this corporation.

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1 SECTION 4. TERMS OF OFFICE

2 Each director shall hold office until the annual meeting for election of the Board of Directors two
3 years after their election as specified in these Bylaws, and until his or her successor is elected
4 and qualifies, except for those directors elected in the first annual meeting to be held in 2013.

5 (a) In the annual meeting for election of directors in 2013, a complete board of directors shall be
6 elected to replace the existing provisional board. One half of the board elected in the 2013
7 meeting shall serve for a term of office of one year, and the remainder shall serve a term of office
8 of two years.

9 (b) At subsequent annual meetings for election, directors shall be elected for a term of two years,
10 as defined in Section 8 of this article, with the intention of maintaining the continuity of half of
11 the board of directors through any particular election.

12 SECTION 5. COMPENSATION

13 Directors shall serve without compensation. They shall be allowed reasonable advancement or
14 reimbursement of expenses incurred in the performance of their regular duties as specified in
15 Section 3 of this Article. Directors may not be compensated for rendering services to the
16 corporation in any capacity other than director unless such other compensation is reasonable and
17 is allowable under the provisions of Section 6 of this Article.

18 SECTION 6. RESTRICTION REGARDING INTERESTED DIRECTORS

19 Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of
20 the persons serving on the board may be interested persons. For purposes of this Section,
21 "interested persons" means either:

22 (a) Any person currently being compensated by the corporation for services rendered it
23 within the previous twelve (12) months, whether as a full- or part-time officer or other
24 employee, independent contractor, or otherwise, excluding any reasonable compensation
25 paid to a director as director; or

26 (b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-
27 law, daughter-in-law, mother-in-law, or father-in-law of any such person.

28 SECTION 7. PLACE OF MEETINGS

29 Meetings shall be held at the principal office of the corporation unless otherwise provided by the
30 board or at such place within or without the State of California which has been designated from
31 time to time by resolution of the Board of Directors. In the absence of such designation, any
32 meeting not held at the principal office of the corporation shall be valid only if held on the
33 written consent of all directors given either before or after the meeting and filed with the
34 Secretary of the corporation or after all board members have been given written notice of the
35 meeting as hereinafter provided for special meetings of the board.

36 Any meeting, regular or special, may be held by conference telephone, electronic video screen
37 communication, or other communications equipment. Participation in a meeting through use of
38 conference telephone constitutes presence in person at that meeting so long as all directors

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1 participating in the meeting are able to hear one another. Participation in a meeting through use
2 of electronic video screen communication or other communications equipment (other than
3 conference telephone) constitutes presence in person at that meeting if all of the following apply:

4 a) Each director participating in the meeting can communicate with all of the other directors
5 concurrently;

6 b) Each director is provide the means of participating in all matters before the board,
7 including, without limitation, the capacity to propose, or to interpose an objection to, a
8 specific action to be taken by the corporation;

9 c) The corporation adopts and implements some means of verifying 1) that all persons
10 participating in the meeting are directors of the corporation or are otherwise entitled to
11 participate in the meeting, and 2) that all actions of, or votes by, the board are taken and
12 cast only by directors and not by persons who are not directors.

13 **SECTION 8. ANNUAL MEETINGS**

14 ANNUAL MEETINGS Beginning in 2016, annual meetings of the Board of Directors shall be
15 held once per year.

16 At the annual board meeting, directors shall be elected by the Board of Directors in accordance
17 with this section. Cumulative voting by directors for the election of directors shall not be
18 permitted. The candidates receiving the highest number of votes up to the number of directors to
19 be elected shall be elected. Each director shall cast one vote, with voting being by ballot only.

20 **SECTION 9. SPECIAL MEETINGS**

21 Special meetings of the Board of Directors may be called by the President, the Vice President,
22 the Secretary, or by any two directors, and such meetings shall be held at the place, within or
23 without the State of California, designated by the person or persons calling the meeting, and in
24 the absence of such designation, at the principal office of the corporation.

25 **SECTION 10. NOTICE OF MEETINGS**

26 Regular meetings of the board may be held without notice. Special meetings of the board shall be
27 held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice delivered
28 personally or by telephone or electronic mail. If sent by mail or electronic mail, the notice shall
29 be deemed to be delivered on its deposit in the mails or on receipt of an electronic mail delivery
30 receipt. Such notices shall be addressed to each director at his or her address as shown on the
31 books of the corporation. Notice of the time and place of holding an adjourned meeting need not
32 be given to absent directors if the time and place of the adjourned meeting are fixed at the
33 meeting adjourned and if such adjourned meeting is held no more than twenty-four (24) hours
34 from the time of the original meeting. Notice shall be given of any adjourned regular or special
35 meeting to directors absent from the original meeting if the adjourned meeting is held more than
36 twenty-four (24) hours from the time of the original meeting.

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1 SECTION 11. CONTENTS OF NOTICE

2 Notice of meetings not herein dispensed with shall specify the place, day and hour of the
3 meeting. The purpose of any board meeting need not be specified in the notice.

4 SECTION 12. WAIVER OF NOTICE AND CONSENT TO HOLDING MEETINGS

5 The transactions of any meeting of the board, however called and noticed or wherever held, are
6 as valid as though the meeting had been duly held after proper call and notice, provided a
7 quorum, as hereinafter defined, is present and provided that either before or after the meeting
8 each director not present signs a waiver of notice, a consent to holding the meeting, or an
9 approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the
10 corporate records or made a part of the minutes of the meeting.

11 SECTION 13. QUORUM FOR MEETINGS

12 A quorum shall consist of **three (3)** Directors.

13 Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this
14 corporation, or by law, no business shall be considered by the board at any meeting at which a
15 quorum, as hereinafter defined, is not present, and the only motion which the Chair shall
16 entertain at such meeting is a motion to adjourn. However, a majority of the directors present at
17 such meeting may adjourn from time to time until the time fixed for the next regular meeting of
18 the board.

19 When a meeting is adjourned for lack of a quorum, it shall not be necessary to give any notice of
20 the time and place of the adjourned meeting or of the business to be transacted at such meeting,
21 other than by announcement at the meeting at which the adjournment is taken, except as
22 provided in Section 10 of this Article.

23 The directors present at a duly called and held meeting at which a quorum is initially present
24 may continue to do business notwithstanding the loss of a quorum at the meeting due to a
25 withdrawal of directors from the meeting, provided that any action thereafter taken must be
26 approved by at least a majority of the required quorum for such meeting or such greater
27 percentage as may be required by law, or the Articles of Incorporation or Bylaws of this
28 corporation.

29 SECTION 14. MAJORITY ACTION AS BOARD ACTION

30 Every act or decision done or made by a majority of the directors present at a meeting duly held
31 at which a quorum is present is the act of the Board of Directors, unless the Articles of
32 Incorporation or Bylaws of this corporation, or provisions of the California Nonprofit Mutual
33 Benefit Corporation Law, particularly those provisions relating to appointment of committees
34 (Section 5212), approval of contracts or transactions in which a director has a material financial
35 interest (Section 5233) and indemnification of directors (Section 5238e), require a greater
36 percentage or different voting rules for approval of a matter by the board.

37 SECTION 15. CONDUCT OF MEETINGS

38 Meetings of the Board of Directors shall be presided over by the President of the corporation or,
39 in his or her absence, by the Vice President of the corporation or, in the absence of each of these

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1 persons, by a Chairperson chosen by a majority of the directors present at the meeting. The
2 Secretary of the corporation shall act as secretary of all meetings of the board, provided that, in
3 his or her absence, the presiding officer shall appoint another person to act as Secretary of the
4 Meeting.

5 Meetings shall be governed by **The South Bay Spot Operating Procedures**, as such rules may
6 be revised from time to time, insofar as such rules are not inconsistent with or in conflict with
7 these Bylaws, with the Articles of Incorporation of this corporation, or with provisions of law.

8 **SECTION 16. ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING**

9 Any action required or permitted to be taken by the Board of Directors under any provision of
10 law may be taken without a meeting, if all members of the board shall individually or
11 collectively consent in writing to such action. For the purposes of this Section only, "all members
12 of the board" shall not include any "interested director" as defined in Section 5233 of the
13 California Nonprofit Mutual Benefit Corporation Law. Such written consent or consents shall be
14 filed with the minutes of the proceedings of the board. Such action by written consent shall have
15 the same force and effect as the unanimous vote of the directors. Any certificate or other
16 document filed under any provision of law which relates to action so taken shall state that the
17 action was taken by unanimous written consent of the Board of Directors without a meeting and
18 that the Bylaws of this corporation authorize the directors to so act, and such statement shall be
19 prima facie evidence of such authority.

20 **SECTION 17. VACANCIES**

21 Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any
22 director, and (2) whenever the number of authorized directors is increased.

23 The Board of Directors may declare vacant the office of a director who has been declared of
24 unsound mind by a final order of court, or convicted of a felony, or been found by a final order
25 or judgment of any court to have breached any duty under Section 5230 and following of the
26 California Nonprofit Mutual Benefit Corporation Law.

27 Directors may be removed without cause by a majority of the directors then in office.

28 Any director may resign effective upon giving written notice to the President, the Secretary, or
29 the Board of Directors, unless the notice specifies a later time for the effectiveness of such
30 resignation. No director may resign if the corporation would then be left without a duly elected
31 director or directors in charge of its affairs, except upon notice to the Attorney General.

32 Vacancies on the board may be filled by approval of the board or, if the number of directors then
33 in office is less than a quorum, by (1) the unanimous written consent of the directors then in
34 office, (2) the affirmative vote of a majority of the directors then in office at a meeting held
35 pursuant to notice or waivers of notice complying with this Article of these Bylaws, or (3) a sole
36 remaining director.

37 A person elected to fill a vacancy as provided by this Section shall hold office until the next
38 annual election of the Board of Directors or until his or her death, resignation or removal from
39 office.

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1 **SECTION 18. NON-LIABILITY OF DIRECTORS**

2 The directors shall not be personally liable for the debts, liabilities, or other obligations of the
3 corporation.

4 **SECTION 19. INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, 5 EMPLOYEES AND OTHER AGENTS**

6 To the extent that a person who is, or was, a director, officer, employee or other agent of this
7 corporation has been successful on the merits in defense of any civil, criminal, administrative or
8 investigative proceeding brought to procure a judgment against such person by reason of the fact
9 that he or she is, or was, an agent of the corporation, or has been successful in defense of any
10 claim, issue or matter, therein, such person shall be indemnified against expenses actually and
11 reasonably incurred by the person in connection with such proceeding.

12 If such person either settles any such claim or sustains a judgment against him or her, then
13 indemnification against expenses, judgments, fines, settlements and other amounts reasonably
14 incurred in connection with such proceedings shall be provided by this corporation but only to
15 the extent allowed by, and in accordance with the requirements of, Section 5238 of the California
16 Nonprofit Mutual Benefit Corporation Law.

17 **SECTION 20. INSURANCE FOR CORPORATE AGENTS**

18 The Board of Directors may adopt a resolution authorizing the purchase and maintenance of
19 insurance on behalf of any agent of the corporation (including a director, officer, employee or
20 other agent of the corporation) against any liability other than for violating provisions of law
21 relating to self-dealing (Section 5233 of the California Nonprofit Mutual Benefit Corporation
22 Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status
23 as such, whether or not the corporation would have the power to indemnify the agent against
24 such liability under the provisions of Section 5238 of the California Nonprofit Mutual Benefit
25 Corporation Law.

26 **ARTICLE 4: OFFICERS**

27 **SECTION 1. NUMBER OF OFFICERS**

28 The officers of the corporation shall be a President, a Secretary, and a Chief Financial Officer
29 who shall be designated the Treasurer. The corporation may also have, as determined by the
30 Board of Directors, a Vice President. Any number of offices may be held by the same person
31 except that neither the Secretary nor the Treasurer may serve as the President or Chairperson of
32 the Board.

33 **SECTION 2. QUALIFICATION, ELECTION, AND TERM OF OFFICE**

34 Any board member in good standing may serve as officer of this corporation. Officers shall be
35 elected by the Board of Directors, at any time, and each officer shall hold office until he or she
36 resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be
37 elected and qualified, whichever occurs first.

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1 **SECTION 3. SUBORDINATE OFFICERS**

2 The Board of Directors may appoint such other officers or agents as it may deem desirable, and
3 such officers shall serve such terms, have such authority, and perform such duties as may be
4 prescribed from time to time by the Board of Directors.

5 **SECTION 4. REMOVAL AND RESIGNATION**

6 Any officer may be removed, either with or without cause, by the Board of Directors, at any
7 time. Any officer may resign at any time by giving written notice to the Board of Directors or to
8 the President or Secretary of the corporation. Any such resignation shall take effect at the date of
9 receipt of such notice or at any later date specified therein, and, unless otherwise specified
10 therein, the acceptance of such resignation shall not be necessary to make it effective. The above
11 provisions of this Section shall be superseded by any conflicting terms of a contract which has
12 been approved or ratified by the Board of Directors relating to the employment of any officer of
13 the corporation.

14 **SECTION 5. VACANCIES**

15 Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any
16 officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than
17 that of President, such vacancy may be filled temporarily by appointment by the President until
18 such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed
19 at the discretion of the board may or may not be filled as the board shall determine.

20 **SECTION 6. DUTIES OF PRESIDENT**

21 The President shall be the chief executive officer of the corporation and shall, subject to the
22 control of the Board of Directors, supervise and control the affairs of the corporation and the
23 activities of the officers. He or she shall perform all duties incident to his or her office and such
24 other duties as may be required by law, by the Articles of Incorporation of this corporation, or by
25 these Bylaws, or which may be prescribed from time to time by the Board of Directors. He or she
26 shall preside at all meetings of the Board of Directors and all meetings of the members. Except
27 as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he
28 or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts,
29 checks, or other instruments which may from time to time be authorized by the Board of
30 Directors.

31 **SECTION 7. DUTIES OF VICE PRESIDENT**

32 In the absence of the President, or in the event of his or her inability or refusal to act, the Vice
33 President shall perform all the duties of the President, and when so acting shall have all the
34 powers of, and be subject to all the restrictions on, the President. The Vice President shall have
35 other powers and perform such other duties as may be prescribed by law, by the Articles of
36 Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

37 **SECTION 8. DUTIES OF SECRETARY**

38 The Secretary shall:

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1 Certify and keep at the principal office of the corporation the original, or a copy of these Bylaws
2 as amended or otherwise altered to date.

3 Keep at the principal office of the corporation or at such other place as the board may determine,
4 a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of
5 directors and of members, recording therein the time and place of holding, whether regular or
6 special, how called, how notice thereof was given, the names of those present or represented at
7 the meeting, and the proceedings thereof.

8 See that all notices are duly given in accordance with the provisions of these Bylaws or as
9 required by law.

10 Be custodian of the records and of the seal of the corporation and see that the seal is affixed to all
11 duly executed documents, the execution of which on behalf of the corporation under its seal is
12 authorized by law or these Bylaws.

13 The designated Corporation Membership Secretary can provide a membership book containing
14 the name and address of each and any members, and, in the case where any membership has
15 been terminated, he or she shall record such fact in the membership book together with the date
16 on which such membership ceased.

17 Exhibit at all reasonable times to any director of the corporation, or to his or her agent or
18 attorney, on request therefor, the Bylaws, the membership book, and the minutes of the
19 proceedings of the directors of the corporation.

20 In general, perform all duties incident to the office of Secretary and such other duties as may be
21 required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or
22 which may be assigned to him or her from time to time by the Board of Directors.

23 **SECTION 9. DUTIES OF TREASURER**

24 Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and
25 Funds," the Treasurer shall:

26 Have charge and custody of, and be responsible for, all funds and securities of the corporation,
27 and deposit all such funds in the name of the corporation in such banks, trust companies, or other
28 depositories as shall be selected by the Board of Directors.

29 Receive, and give receipt for, monies due and payable to the corporation from any source
30 whatsoever.

31 Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board
32 of Directors, taking proper vouchers for such disbursements.

33 Keep and maintain adequate and correct accounts of the corporation's properties and business
34 transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

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1 Exhibit at all reasonable times the books of account and financial records to any director of the
2 corporation, or to his or her agent or attorney, on request therefor.

3 Render to the President and directors, whenever requested, an account of any or all of his or her
4 transactions as Treasurer and of the financial condition of the corporation.

5 Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to
6 be included in any required reports.

7 In general, perform all duties incident to the office of Treasurer and such other duties as may be
8 required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or
9 which may be assigned to him or her from time to time by the Board of Directors.

10 **SECTION 10. COMPENSATION**

11 The officers of this corporation shall serve without compensation except that they shall be
12 allowed and paid their actual and necessary expenses incurred in the performance of their regular
13 duties as specified in this Article.

14 **ARTICLE 5: COMMITTEES**

15 **SECTION 1. EXECUTIVE COMMITTEE**

16 The Board of Directors may, by a majority vote of directors, designate two (2) or more of its
17 members (who may also be serving as officers of this corporation) to constitute an Executive
18 Committee and delegate to such Committee any of the powers and authority of the board in the
19 management of the business and affairs of the corporation, except with respect to:

20 (a) The filling of vacancies on the board or on any committee which has the authority of the
21 board.

22 (b) The fixing of compensation of the directors for serving on the board or on any committee.

23 (c) The amendment or repeal of Bylaws or the adoption of new Bylaws.

24 (d) The amendment or repeal or any resolution of the board which by its express terms is not
25 so amendable or repealable.

26 (e) The appointment of committees of the board or the members thereof.

27 (f) The expenditure of corporate funds to support a nominee for director after there are more
28 people nominated for director than can be elected.

29 (g) The approval of any transaction to which this corporation is a party and in which one or
30 more of the directors has a material financial interest, except as expressly provided in
31 Section 5233(d)(3) of the California Nonprofit Mutual Benefit Corporation Law.

32 By a majority vote of its members then in office, the board may at any time revoke or modify
33 any or all of the authority so delegated, increase or decrease but not below two (2) the number of

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1 its members, and fill vacancies therein from the members of the board. The Committee shall
2 keep regular minutes of its proceedings, cause them to be filed with the corporate records, and
3 report the same to the board from time to time as the board may require.

4 **SECTION 2. ADVISORY COMMITTEES**

5 The corporation shall have such other committees as may from time to time be designated by
6 resolution of the Board of Directors. Such other committees may consist of persons who are not
7 also members of the board. These additional committees shall act in an advisory capacity only to
8 the board and shall be clearly titled as "advisory" committees.

9 **SECTION 3. MEETINGS AND ACTION OF COMMITTEES**

10 Meetings and action of committees shall be governed by, noticed, held and taken in accordance
11 with the provisions of these Bylaws concerning meetings of the Board of Directors, with such
12 changes in the context of such Bylaw provisions as are necessary to substitute the committee and
13 its members for the Board of Directors and its members, except that the time for regular
14 meetings of committees may be fixed by resolution of the Board of Directors or by the
15 committee. The Board of Directors will meet with it committees within 90 days of its Annual
16 Meeting. Additional special meetings of committees may also be fixed by the Board of
17 Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct
18 of meetings of committees to the extent that such rules and regulations are not inconsistent with
19 the provisions of these Bylaws.

20 **ARTICLE 6: MEMBERS**

21 **SECTION 1. DETERMINATION AND QUALIFICATION OF MEMBERS**

22 The corporation shall have only one class of members. No member shall hold more than one
23 membership in the corporation.

24 Except as expressly provided in or authorized by the Articles of Incorporation or Bylaws of this
25 corporation, all memberships shall have the same rights, privileges, restrictions and conditions.

26 Members must be natural persons at least 18 years of age, who understand and support the
27 Corporation's statement of purpose and have paid the required dues.

28 Members will be considered without regard to sex, race, creed, color, religion, marital or
29 relationship status, sexual orientation, national or ethnic origin, citizenship, or any sensory or
30 physical challenge.

31 **SECTION 2. RIGHTS OF MEMBERS**

32 Any member in good standing has the right to attend events hosted by the corporation, including
33 but not limited to parties, classes, meetings, and receptions.

34 Any member in good standing may petition the Board for action.

35 **SECTION 3. ADMISSION OF MEMBERS**

36 Applicants shall be admitted to membership upon:

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- 1 a) Completion of a membership application process.
- 2 b) Providing proof of identity and age
- 3 c) Reviewing and endorsing The South Bay Spot's code of conduct.
- 4 d) Must attend a mandatory membership orientation.
- 5 e) Final review and approval of the Board of Directors or designated agents.

6 **SECTION 4. FEES, DUES AND ASSESSMENTS**

- 7 (a) The fee charged for making application for membership in the corporation shall be
8 determined by a Board resolution.
- 9 (b) The annual dues payable to the corporation by members shall be determined by a Board
10 resolution.
- 11 (c) Memberships shall be non-assessable.

12 **SECTION 5. NUMBER OF MEMBERS**

13 There is no limit on the number of members the corporation may admit.

14 **SECTION 6. MEMBERSHIP BOOK**

15 The corporation shall keep a membership book containing the name and address of each
16 member. Termination of the membership of any member shall be recorded in the book, together
17 with the date of termination of such membership. Such book shall be kept at the corporation's
18 principal office and shall be available for inspection by any director or member of the
19 corporation during regular business hours.

20 The record of names and addresses of the members of this corporation shall constitute the
21 membership list of this corporation and shall not be used, in whole or part, by any person for any
22 purpose not reasonably related to a member's interest as a member.

23 **SECTION 7. NONLIABILITY OF MEMBERS**

24 A member of this corporation is not, as such, personally liable for the debts, liabilities, or
25 obligations of the corporation.

26 **SECTION 8. NONTRANSFERABILITY OF MEMBERSHIPS**

27 No member may transfer a membership or any right arising therefrom. All rights of membership
28 cease upon the member's death.

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1 SECTION 9. TERMINATION OF MEMBERSHIP

2 (a) Grounds for Termination. The membership of a member shall terminate upon the occurrence
3 of any of the following events:

4 (1) Upon his or her notice of such termination delivered to the President or Secretary of the
5 corporation personally or by mail, such membership to terminate upon the date of delivery of
6 the notice or date of deposit in the mail.

7 (2) Upon a determination by the Board of Directors that the member has engaged in conduct
8 materially and seriously prejudicial to the interests or purposes of the corporation.

9 (3) If this corporation has provided for the payment of dues by members, upon a failure to
10 renew his or her membership by paying dues on or before their due date, such termination to
11 be effective thirty (30) days after a written notification of delinquency is given personally or
12 mailed to such member by the Secretary of the corporation. A member may avoid such
13 termination by paying the amount of delinquent dues within a thirty (30)-day period
14 following the member's receipt of the written notification of delinquency.

15 (b) Procedure for Expulsion. Following the determination that a member should be expelled
16 under subparagraph (a)(2) of this section, the following procedure shall be implemented:

17 (1) A notice shall be sent by first-class or registered mail to the last address of the member as
18 shown on the corporation's records, setting forth the expulsion and the reasons therefor. Such
19 notice shall be sent at least fifteen (15) days before the proposed effective date of the
20 expulsion.

21 (2) The member being expelled shall be given an opportunity to be heard, either orally or in
22 writing, at a hearing to be held not less than five (5) days before the effective date of the
23 proposed expulsion. The hearing will be held by the Board of Directors in accordance with
24 the quorum and voting rules set forth in these Bylaws applicable to the meetings of the
25 Board. The notice to the member of his or her proposed expulsion shall state the date, time,
26 and place of the hearing on his or her proposed expulsion.

27 (3) Following the hearing, the Board of Directors shall decide whether or not the member
28 should in fact be expelled, suspended, or sanctioned in some other way. The decision of the
29 Board shall be final.

30 (4) If this corporation has provided for the payment of dues by members, any person
31 expelled from the corporation shall receive a refund of dues already paid. The refund shall be
32 pro-rated to return only the unaccrued balance remaining for the period of the dues payment.

33 SECTION 10. RIGHTS ON TERMINATION OF MEMBERSHIP

34 All rights of a member in the corporation shall cease on termination of membership as herein
35 provided.

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1 SECTION 11. AMENDMENTS RESULTING IN THE TERMINATION OF 2 MEMBERSHIPS

3 Notwithstanding any other provision of these Bylaws, if any amendment of the Articles of
4 Incorporation or of the Bylaws of this corporation would result in the termination of all
5 memberships or any class of memberships, then such amendment or amendments shall be
6 effected only in accordance with the provisions of Section 5342 of the California Nonprofit
7 Mutual Benefit Corporation Law.

8 ARTICLE 7: MEETINGS OF MEMBERS

9 SECTION 1. PLACE OF MEETINGS

10 Meetings of members shall be held at the principal office of the corporation or at such other
11 place or places within or without the State of California as may be designated from time to time
12 by resolution of the Board of Directors.

13 SECTION 2. ANNUAL MEETINGS

14 The members shall meet at the Annual Meeting, for the purpose of observing the Board of
15 Directors meeting and petitioning the board for action.

16 SECTION 3. SPECIAL MEETINGS

17 Persons Who May Call Special Meetings of Members. Special meetings of the members shall be
18 called by the Board of Directors or the President of the corporation. In addition, special meetings
19 of the members for any lawful purpose may be called by five percent (5%) or more of the
20 members.

21 ARTICLE 8: EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

22 SECTION 1. EXECUTION OF INSTRUMENTS

23 The Board of Directors, except as otherwise provided in these Bylaws, may by resolution
24 authorize any officer or agent of the corporation to enter into any contract or execute and deliver
25 any instrument in the name of and on behalf of the corporation, and such authority may be
26 general or confined to specific instances. Unless so authorized, no officer, agent, or employee
27 shall have any power or authority to bind the corporation by any contract or engagement or to
28 pledge its credit or to render it liable monetarily for any purpose or in any amount.

29 SECTION 2. CHECKS AND NOTES

30 Except as otherwise specifically determined by resolution of the Board of Directors, or as
31 otherwise required by law, checks, drafts, promissory notes, orders for the payment of money,
32 and other evidence of indebtedness of the corporation shall be signed by the Treasurer and
33 countersigned by the President of the corporation.

34 SECTION 3. DEPOSITS

35 All funds of the corporation shall be deposited from time to time to the credit of the corporation
36 in such banks, trust companies, or other depositories as the Board of Directors may select.

BYLAWS OF THE SOUTH BAY SPOT

1 SECTION 4. GIFTS

2 The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest,
3 or devise for the charitable or public purposes of this corporation.

4 ARTICLE 9: CORPORATE RECORDS, REPORTS AND SEAL

5 SECTION 1. MAINTENANCE OF CORPORATE RECORDS

6 The corporation shall keep at its principal office in the State of California:

7 (a) Minutes of all meetings of directors, committees of the board and, if this corporation has
8 members, of all meetings of members, indicating the time and place of holding such
9 meetings, whether regular or special, how called, the notice given, and the names of those
10 present and the proceedings thereof;

11 (b) Adequate and correct books and records of account, including accounts of its properties
12 and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains
13 and losses;

14 (c) A record of its members, if any, indicating their names and addresses and, if applicable,
15 the class of membership held by each member and the termination date of any membership;

16 (d) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date,
17 which shall be open to inspection by the members, if any, of the corporation at all reasonable
18 times during office hours.

19 SECTION 2. CORPORATE SEAL

20 The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept
21 at the principal office of the corporation. Failure to affix the seal to corporate instruments,
22 however, shall not affect the validity of any such instrument.

23 SECTION 3. DIRECTORS' INSPECTION RIGHTS

24 Every director shall have the absolute right at any reasonable time to inspect and copy all books,
25 records and documents of every kind and to inspect the physical properties of the corporation.

26 SECTION 4. MEMBERS' INSPECTION RIGHTS

27 Members shall have the right to inspect at any reasonable time the books, records, or minutes of
28 proceedings of the members or of the board or committees of the board, with personal
29 information anonymized, upon written demand on the corporation by the member, for a purpose
30 reasonably related to such person's interests as a member.

31 SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS

32 Any inspection under the provisions of this Article may be made in person or by agent or
33 attorney and the right to inspection includes the right to copy and make extracts.

BYLAWS OF THE SOUTH BAY SPOT

1 **SECTION 6. ANNUAL REPORT**

2 The board shall cause an annual report to be furnished not later than one hundred and twenty
3 (120) days after the close of the corporation's fiscal year to all directors of the corporation and, if
4 this corporation has members, to any member who requests it in writing, which report shall
5 contain the following information in appropriate detail:

6 (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the
7 fiscal year;

8 (b) The principal changes in assets and liabilities, including trust funds, during the fiscal
9 year;

10 (c) The revenue or receipts of the corporation , both unrestricted and restricted to particular
11 purposes, for the fiscal year;

12 (d) The expenses or disbursements of the corporation, for both general and restricted
13 purposes, during the fiscal year;

14 (e) Any information required by Section 7 of this Article.

15 The annual report shall be accompanied by any report thereon of independent accountants, or, if
16 there is no such report, the certificate of an authorized officer of the corporation that such
17 statements were prepared without audit from the books and records of the corporation.

18 If this corporation has members, then, if this corporation receives TWENTY-FIVE THOUSAND
19 DOLLARS (\$25,000), or more, in gross revenues or receipts during the fiscal year, this
20 corporation shall automatically send the above annual report to all members, in such manner, at
21 such time, and with such contents, including an accompanying report from independent
22 accountants or certification of a corporate officer, as specified by the above provisions of this
23 Section relating to the annual report.

24 **SECTION 7. ANNUAL STATEMENT OF SPECIFIC TRANSACTIONS TO MEMBERS**

25 This corporation may mail or deliver to all directors and any and all members a statement within
26 one hundred and twenty (120) days after the close of its fiscal year which briefly describes the
27 amount and circumstances of any indemnification or transaction of the following kind:

28 (a) Any transaction in which the corporation, or its parent or its subsidiary, was a party, and in
29 which either of the following had a direct or indirect material financial interest:

30 (1) Any director or officer of the corporation, or its parent or subsidiary (a mere common
31 directorship shall not be considered a material financial interest); or

32 (2) Any holder of more than ten percent (10%) of the voting power of the corporation, its parent
33 or its subsidiary.

34 The above statement need only be provided with respect to a transaction during the previous
35 fiscal year involving more than FIFTY THOUSAND DOLLARS (\$50,000) or which was one of

BYLAWS OF THE SOUTH BAY SPOT

1 a number of transactions with the same persons involving, in the aggregate, more than FIFTY
2 THOUSAND DOLLARS (\$50,000).

3 Similarly, the statement need only be provided with respect to indemnifications or advances
4 aggregating more than TEN THOUSAND DOLLARS (\$10,000) paid during the previous fiscal
5 year to any director or officer, except that no such statement need be made if such
6 indemnification was approved by the members pursuant to Section 5238(e)(2) of the California
7 Nonprofit Mutual Benefit Corporation Law.

8 Any statement required by this Section shall briefly describe the names of the interested persons
9 involved in such transactions, stating each person's relationship to the corporation, the nature of
10 such person's interest in the transaction and, where practical, the amount of such interest,
11 provided that in the case of a transaction with a partnership of which such person is a partner,
12 only the interest of the partnership need be stated.

13 If this corporation has any members and provides all members with an annual report according to
14 the provisions of Section 6 of this Article, then such annual report shall include the information
15 required by this Section.

ARTICLE 10: FISCAL YEAR

SECTION 1. FISCAL YEAR OF THE CORPORATION

18 The fiscal year of the corporation shall begin on the first day of January and end on the last day
19 of December in each year.

ARTICLE 11: AMENDMENT OF BYLAWS

SECTION 1. AMENDMENT

22 These Bylaws may be altered, amended, or repealed and new Bylaws adopted by approval of the
23 board of directors at the annual meeting of the corporation in compliance with California
24 Corporations Code.

ARTICLE 12: AMENDMENT OF ARTICLES

26 Amendment of the Articles of Incorporation may be adopted by the approval of the Board of
27 Directors in accordance with California Nonprofit Corporation Law.

ARTICLE 13: PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

32 No member, director, officer, employee, or other person connected with this corporation, or any
33 private individual, shall receive at any time any of the net earnings or pecuniary profit from the
34 operations of the corporation, provided, however, that this provision shall not prevent payment to
35 any such person of reasonable compensation for services performed for the corporation in
36 effecting any of its public or charitable purposes, provided that such compensation is otherwise

BYLAWS OF THE SOUTH BAY SPOT

1 permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such
2 person or persons shall be entitled to share in the distribution of, and shall not receive, any of the
3 corporate assets on dissolution of the corporation. All members, if any, of the corporation shall
4 be deemed to have expressly consented and agreed that on such dissolution or winding up of the
5 affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after
6 all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of
7 this corporation and not otherwise.

BYLAWS OF THE SOUTH BAY SPOT

WRITTEN CONSENT OF DIRECTORS ADOPTING BYLAWS

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We, the undersigned, are all of the persons named as the initial directors in the Articles of Incorporation of **THE SOUTH BAY SPOT**, a California mutual benefit corporation, and, pursuant to the authority granted to the directors by these Bylaws to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the foregoing Bylaws, consisting of **18** pages, as the Bylaws of this corporation.

Dated: _____

_____, Director

_____, Director

_____, Director

_____, Director

_____, Director

CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the Bylaws of the corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said corporation on the date set forth below.

Dated: _____

_____, Secretary