

ROTARY CLUB OF SAN DIEGO, INC.
a California nonprofit mutual benefit corporation

BYLAWS
SECOND RESTATEMENT

Effective March 31, 2017

1. Defined Terms

Except as otherwise specifically defined in these Bylaws, words and phrases herein shall have the meanings set forth in the California Nonprofit Corporation Law commencing with Title 1, Division 2 of the California Corporations Code, §§5000 et seq., as enacted as of the Effective Date (the "NCL"). In addition to such defined terms, words and phrases having their initial letters capitalized have the meanings set forth in Exhibit 1, DEFINED TERMS, to these Bylaws. The definition of any words or phrases defined in Exhibit 1 shall control over the definition in the NCL of similar or identical words or phrases.

2. Communications

2.1 Notices. Any notice, demand, disclosure, request, consent, approval, waiver, declaration, ballot or other communication that is required or permitted to be given in these Bylaws shall be in writing.

2.2 Method of Delivery. Except as otherwise provided in these Bylaws, any such communication may be served personally, transmitted by Electronic Transmission, facsimile or nationally recognized overnight delivery service (i.e., FedEx) or sent by prepaid, first class US Mail to:

- (a) the Club at the street address, other US Mail address, facsimile number or email address for the Club that has been approved by the Board and provided to each Member by notice; or
- (b) a specific Member at the street address, other US Mail address, facsimile number or email address for such Member in the Club's books and records.

2.3 Electronic Signatures. Electronically reproduced signatures on communications delivered by Electronic Transmission will have the same effect and authenticity as signed and delivered paper originals.

2.4 Publication. Wherever in these Bylaws a communication is required or permitted to be given to either all Members or to all Voting Members, such communication may be Published.

2.5 Effective Date of Communications. Any communication to the Club or to a specific Member shall be deemed effective upon personal delivery, confirmed receipt of communication transmitted by facsimile, two days after transmitting the notice by Electronic Transmission or nationally recognized overnight delivery service or three days after mailing in accordance with this section.

2.6 Change of Addresses. The Club may change any of its addresses for receipt of communications by notice to all Members. A Member may change any of such Member's addresses for receipt of communications by notice to the Club.

3. Board of Directors

3.1 Powers. Except as otherwise lawfully limited or expanded by the Constitution, Articles or these Bylaws, the Board shall have and exercise all authorities granted to a Board of directors of a nonprofit mutual benefit corporation under Governing Law. Subject to Governing Law and except for any provisions of Governing Law which require approval of actions by the Members, the Club's activities and affairs shall be managed, and all Club or other corporate powers shall be exercised, by or under the direction of the Board.

3.2 Club Charges and Member Rules. Without limiting the Board's authorities under Governing Law, the Board shall determine and approve all Club Charges, the dates such Club Charges are due and payable and all Member Rules.

3.3 Number of Directors. The Board shall consist of 17 Directors as follows:

- (a) the five Elected Officers (the President, the President-Elect, the President-Nominee, the Secretary/Treasurer and the Past-President);
- (b) the unsuccessful candidate for the office of President-Nominee in the immediately preceding election for such office;
- (c) the unsuccessful candidate for the office of Secretary/Treasurer in the immediately preceding election for such office;
- (d) five Odd-Year Directors; and
- (e) five Even-Year Directors.

3.4 Qualification for Directors. Each Director shall be a Voting Member, except that no Voting Member shall be nominated to stand for election or be appointed as a Director if such Voting Member as of the earlier of such Voting Member's nomination or appointment:

- (a) has failed to pay in full all Club Charges or otherwise failed to cure an existing violation of Member Rules for which such Member has received notice from the Club;
- (b) will serve as an At Large Director for more than four consecutive years as a result of such election or appointment;
- (c) is subject to expulsion proceedings; or
- (d) has failed to meet any other specific standards adopted from time to time by the Board for holding the office of Director, including Member Rules or other standards for attendance at Regular Meetings/Events or District meetings or events, prior service on Club or District committees or participation in or contributions to the Club, the District or Rotary International.

4. Terms of Office and Election of Board & Elected Officers

4.1 Terms of Office. Except as otherwise provided herein, the term of office for each Director shall be as follows:

<u>OFFICE</u>	<u>TERM</u>
President	One Year
President-Elect	One Year
President-Nominee	One Year
Past-President	One Year
Secretary/Treasurer	One Year
Unsuccessful candidate for President-Nominee	One Year
Unsuccessful candidate for Secretary/Treasurer	One Year
YearTen Directors at Large	Two Years

4.1.1 Terms of office shall commence on July 1 and expire on June 30 of the year as it relates to the elected term.

4.1.2 Upon the expiration of the President's term of office, the President-Elect shall automatically succeed to the office of President and the President shall succeed to the office of Past-President. Upon a vacancy in the office of President, the President-Elect shall automatically succeed to the office of President and serve both: (a) the remainder of the vacating President's term of office; and (b) the term of office as President that such President-Elect would have served had such President-Elect succeeded to the office of President upon the normal expiration of the vacating President's term.

4.1.3 Upon the expiration of the President-Elect's term of office or a vacancy therein, the President-Nominee shall immediately ascend to the office of the President-Elect.

4.1.4 Each Director shall serve for his or her term of office and until a successor director has been designated and qualified.

4.2 Nomination of President Nominee, Secretary/Treasurer and At Large Directors. As further set forth herein, the Board shall cause the Club to hold an annual election on the Annual Election Date for the offices of President Nominee, Secretary/Treasurer, the At Large Directors who will take office the following July 1 and such other offices as from time to time determined by the Board.

4.2.1 By August 31 of each year, the Board shall determine and approve the Annual Election Date for such year and shall notify the chair of the Nominating Committee of such date.

4.2.2 At least 70 days prior to the Annual Election Date, the Nominating Committee shall Publish the date of the next Annual Election Date and solicit Voting Member nominations for the offices of President Nominee, Secretary/Treasurer and the At Large Directors who will take office the following July 1. To nominate a potential candidate for such office, Voting Members shall provide the name of the Voting Member to the chair of the Nominating Committee at least 40 days prior to the Annual Election Date. Each such Voting Member-nominated candidate must be qualified to assume office

4.2.3 At least 30 but not more than 40 days before the Annual Election Date, the Nominating Committee shall recommend to the Board: (1) two qualified Voting Members as Club-nominated candidates for the office of President-Nominee; (2) two qualified Voting Members as Club-nominated candidates for the office of Secretary/Treasurer; and (3) 10 qualified Voting Members as Club-nominated candidates for the class of At Large Directors who will take office the following July 1; and

4.2.4 A candidate recommended to the Board by the Nominating Committee shall be a Club-nominated candidate if approved by the Board. Each Club-nominated candidate shall stand for election to their respective offices on the next Annual Election Date.

4.3 Call for Annual Elections. Upon receipt of the nominations, the Board shall call for either: (a) a General Meeting of the Voting Members on the Annual Election Date for the purpose of holding elections in accordance with Governing Law; or (b) an election by written ballot pursuant to NCL §§7513 - 7517.

4.4 Annual Election by Written Ballot. If the Board calls for an election by written ballot pursuant to NCL §§7513 – 7517 and other Governing Law, the Board shall: (a) promptly Publish and, at the next Regular Meeting/Event, announce the Annual Election Date, the names of the nominated candidates and the offices for which each has been nominated; (b) establish the delivery dates for, and cause the Club to deliver the ballots, any related materials or responses (including materials or responses required by NCL §§7523 – 7525) by notice to the Voting Members, including notice via Electronic Transmission; (c) appoint an inspector for such election; and (d) advise all Voting Members to cast and return their ballots to the inspector of elections by the Annual Election Date.

4.4.1 In the case of the Elected Officers, the candidate receiving the highest number of votes for each office shall be deemed elected. The candidate receiving the next highest number of votes for such office shall be deemed the unsuccessful candidate for such office. The candidates receiving the highest number of votes for such open offices shall be deemed elected.

4.4.2 At the next General Meeting of the Club following the Annual Election Date, the President or his designee shall announce the candidates elected by written ballot to each office. The Club shall Publish such announcement as soon as practicable after such General Meeting.

4.5 Vacancies. A vacancy or vacancies on the Board shall occur in the event of: (a) the expiration of a Director's term of office; (b) the death or resignation of a Director, (c) the declaration of a vacancy in the office of a Director by Board action upon: (1) a determination that a Director is Incompetent; (2) a Director being charged with a felony or misdemeanor; (3) a Director making any public statement or engaging in any conduct that is disparaging to the Club or the Board or its reputation (except for any truthful statement made under oath); (4) a Director breaching or the existence of reasonable cause to accuse or suspect a Director of breaching a duty arising under NCL §7238 (relating to the holding, administration or distribution of charitable assets); (c) the vote of the Voting Members to remove any Director; (d) an increase in the authorized number of Directors; (e) the removal of a Director in accordance with NCL §§7221, 7222 or 7223; or (f) a failure of the Voting Members to elect the number of Directors required to be elected at any General Meeting at which any Directors are to be elected.

4.5.1 The President-Elect shall immediately succeed to the office of President upon any vacancy in such office. The President-Nominee shall immediately succeed to the office of President-Elect upon any vacancy in such office.

4.5.2 Except for a vacancy created by the removal of an At Large Director by the Voting Members, any At Large Director vacancy may be filled by: (a) approval of the Board; or (b) if the number of Directors then in office is less than a quorum, by: (1) the unanimous written consent of the Directors then in office; or (2) the affirmative vote of a majority of the Directors then in office at a meeting complying with NCL §7211. If the Board either fails or is unable to fill such a vacancy within 90 days, the Voting Members may fill such vacancy in accordance with NCL §7224. Any Voting Member appointed or elected to fill a vacancy in the office of At Large Director must be qualified to assume office as of the date of such appointment or election.

4.5.3 Except for a vacancy created by the removal of the President-Nominee by the Voting Members, any vacancy in the office of the President-Nominee occurring within 90 days of the Annual Election Date shall be filled by the nomination and election of a President-Elect as well as a President-Nominee in accordance with procedures of these Bylaws applicable to electing a President-Nominee, except that the unsuccessful candidate for the office of President-Elect shall not be a Director.

(a) If a vacancy in the office of the President-Nominee occurs more than 90 days prior to such Annual Election Date, such vacancy may be filled by an interim President-Nominee: (1) approved by the Board; or (2) if the number of Directors then in office is less than a quorum, by: (A) the unanimous written consent of the Directors then in office; or (B) the affirmative vote of a majority of the Directors then in office at a meeting complying with NCL §7211. If the Board either fails or is unable to fill such a vacancy within 90 days, the Voting Members may fill such vacancy in accordance with NCL §7224.

(b) Notwithstanding any provision of these Bylaws to the contrary, any such interim President-Nominee shall serve only the remainder of the then applicable President-Nominee term. Upon the expiration of such term, the office of the President-Elect to which the President-Nominee would have succeeded shall be filled by the nomination and election at the next Annual Election Date of a President-Elect as well as a President-Nominee in accordance with procedures of these Bylaws applicable to electing a President-Nominee, except that the unsuccessful candidate for the office of President-Elect shall not be a Director.

(c) Any Voting Member appointed or elected to fill a vacancy in the office of President-Nominee or President Elect must be qualified to assume office as of the date of such appointment or election.

4.5.4 Any vacancy in the office of Past-President shall be filled by a qualified Voting Member who has previously served in the office of President. Except for a vacancy created by the removal of a Past-President, any vacancy in the office of Past-President may be filled by: (a) approval of the Board; or (b) if the number of Directors then in office is less than a quorum, by: (1) the unanimous written consent of the Directors then in office; or (2) the affirmative vote of a majority of the Directors then in office at a meeting complying with NCL §7211. If the Board either

fails or is unable to fill such a vacancy within 90 days, the Voting Members may fill such vacancy in accordance with NCL §7224.

5. Club Offices

5.1 Offices and Officers. The offices of this Club shall be the Elected Offices (the President, the President-Elect, the President-Nominee, the Past-President and the Secretary/Treasurer) and the Appointed Offices (which may include the office of an Executive Director and such other Appointed Offices as the Board may approve for the operation and administration of the Club). The officers of the Club shall be the Elected Officers and the Appointed Officers.

5.2 Elected Officers

5.2.1 President. During the President's term of office, the President shall: (a) serve as the: (1) chairman of the Board; (2) chief executive officer of the Club; and (3) general manager of the Club if no Appointed Officer has been assigned to perform such duties by the Club; (b) preside at meetings of the Board and Members; (c) have such powers and perform such duties as the Board may establish or Governing Law may provide; and (d) supervise, direct and control the Club's activities, affairs and officers.

5.2.2 President-Elect. During the President-Elect's term of office, the President-Elect shall perform all duties of the President if the President is absent or Incompetent until the office of the President is declared vacant and until the President-Elect or other person assumes the office of President. When acting in the stead of the President prior to assuming such office, the President-Elect shall have all powers and be subject to all restrictions on the President. The President-Elect shall have such other powers and perform such other duties as the Board may establish or Governing Law may provide.

5.2.3 President-Nominee. During the President-Nominee's term of office, the President-Nominee shall perform all duties of the President-Elect if the President-Elect is absent or Incompetent until the office of the President-Elect is declared vacant and until the President-Nominee or other person assumes the office of President-Elect. When acting in the stead of the President-Elect prior to assuming such office, the President-Nominee shall have all powers and be subject to all restrictions on the President-Elect. The President-Nominee shall have such other powers and perform such other duties as the Board may establish or Governing Law may provide.

5.2.4 Secretary/Treasurer. During the Secretary/Treasurer's term of office, the Secretary/Treasurer shall:

- (a) serve as the Club's secretary and chief financial officer as required under NCL §7213;
- (b) give, or cause to be given, all Publications and all notices of all General Meetings and meetings of the Board and of Committees that Governing Law requires to be given;
- (c) keep or cause to be kept at the Club's principal office or such other place as the Board may direct:
 - (1) a book of minutes of all meetings, proceedings and actions of the Board, of Director Committees and of General Meetings, which minutes of meetings shall include: (A) the time and place that the meeting was held; (B) the type of meeting including whether the meeting was annual or special and, if special, how authorized; (C) the notice given; the names of persons present at Board and Committee meetings; (D) the number of Members present or represented at General Meetings;
 - (2) a copy of the Articles, Constitution and these Bylaws, as amended to date;
 - (3) the corporate seal, if any; and
 - (4) a record of the Club's Members, showing each Member's name, address, electronic address for Electronic Transmissions and whether such Member is a Voting Member;

- (d) keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Club's properties and transactions;
- (e) send or cause to be given to the Members and Directors such financial statements and reports as are required to be given by the Board or Governing Law;
- (f) permit or cause the books of account to be open to inspection by any Director at all reasonable times;
- (g) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Club with such depositories as the Board may designate;
- (h) disburse the Club's funds as the Board may order;
- (i) render to the President and the Board, when requested, an account of all transactions as chief financial officer and of the financial condition of the Club; and
- (j) have such other powers and perform such other duties as the Board may establish or Governing Law may provide.

5.2.5 During the Past President's term of office, the Past President shall serve as the chair of the Nominating Committee and have such other powers and perform such other duties as the Board may establish or Governing Law may provide.

5.3 Appointed Offices. The Board by resolution may create and dissolve one or more Appointed Offices at any time and may appoint persons to fill such Appointed Offices. Each Appointed Officer shall have the title and authority, hold office for the period and perform the duties specified in these Bylaws or established by the Board. Each Appointed Officer shall serve at the pleasure of the Board subject to such rights or obligations under any employment contract with such Appointed Officer. Without prejudice to the rights of any Appointed Officer under an employment contract, the Board may remove any Appointed Officer with or without cause. Any number of Appointed Offices may be held by the same person including Elected Officers.

5.3.1 Any Appointed Officer may resign at any time by giving notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Club under any contract to which the Appointed Officer is a party.

5.3.2 A vacancy in any Appointed Office shall occur upon the officer becoming Incompetent, dying, resigning, being removed, becoming disqualified or any other cause approved by the Board. Such vacancy may be filled in the manner prescribed in these Bylaws for appointments to that Appointed Office. Vacancies, however, need not be filled on an annual basis.

6. Indemnification and Insurance

6.1 Indemnification. To the fullest extent permitted by law, this Club shall protect, defend, indemnify and hold harmless each of its Directors, Elected Officers, Appointed Officers and other persons defined as "agents" in NCL §7237(a) against all liability, loss, damages, expenses (as defined in NCL §7237(a)), judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding" as defined in NCL §7237(a).

6.1.1 On written request to the Board by any person seeking indemnification under this section pursuant to subdivisions (b) or (c) of NCL §7237, the Board shall promptly decide under NCL §7237(e) whether the applicable standard of conduct set forth in subdivisions (b) or (c) of NCL §7237 has been met and, if so, the Board shall authorize indemnification.

6.1.2 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 General Meeting of the Club's Voting Members. At that General Meeting, the Voting Members shall determine under NCL §7237(e) whether the applicable standard of conduct has been met

and, if so, the Voting Members present at the General Meeting in person or by proxy shall authorize indemnification.

6.1.3 To the fullest extent permitted by law (except as otherwise determined by the Board in a specific instance), expenses in defending any proceeding for which indemnification has been preliminarily determined to be available shall be advanced by the Club before final disposition of the proceeding providing the Club has received an undertaking that will repay the advance if indemnity pursuant to this section is ultimately found to be unavailable.

6.2 Insurance. The Club upon the approval of the Board may purchase and maintain insurance to the full extent permitted by law on behalf of its Directors, Elected Officers, Appointed Officers, employees and other agents to cover any liability, claim, loss or damages asserted against or incurred by any such agent in such agent's capacity or arising from the agent's status as such.

7. Meetings of Board and Members

7.1 Board Meetings. Except as otherwise provided in these Bylaws, meetings of the Board shall be called and held in accordance with NCL §7211.

7.1.1 Without limiting the foregoing:

(a) pursuant to NCL §7211(a)(7), one-third of the number of Directors authorized by these Bylaws constitutes a quorum of the Board for the transaction of business;

(b) pursuant to NCL §7211(a)(8), an act or decision done or made by a majority of the Directors at a meeting duly held at which a quorum is present is the act of the Board;

(c) pursuant to NCL §7211(b), an action required or permitted to be taken by the Board may be taken without a meeting if all the Directors shall individually or collectively consent in writing to that action; and

(d) pursuant NCL §5032, "approved by (or approval of) the Board" means approved or ratified pursuant to NCL §7211(a)(8) or NCL §7211(b).

7.1.2 Meetings of the Board shall be held at any place within or outside California that has been designated by Board action or in the notice of the meeting or, if not so designated, at the principal office of the Club.

7.1.3 As of the Effective Date, the Board has adopted the additional Member Rules set forth in Exhibit 7.1.3, here. The Board may adopt additional Member Rules governing the conduct or obligations of Members providing the Board has given 90 days prior notice to all Members of the proposed additional Member Rule (including the text thereof) and invited Member comments thereon. No such prior notice shall be required for any additional Member Rule reasonably required to protect health, safety or property. Any additional Member Rule promulgated by the Board may be repealed with the approval of the Board.

7.2 General Meetings of Voting Members & Votes. Except as otherwise provided in these Bylaws, General Meetings of the Voting Members shall be called and held and votes and elections of the Voting Members shall be cast and held in accordance with NCL Member Meeting/Voting Provisions (Part 2, Chapters 5 and 6 of the NCL, NCL §§7510 – 7616).

7.2.1 A General Meeting of the Voting Members shall be held at least annually at such time and place, and on such notice to all Voting Members, as the Board may determine. Unless elected by written ballot as provided in these Bylaws, Directors shall be elected at such annual General Meeting. Except as otherwise provided by Governing Law, any other proper business may be transacted at such annual General Meeting.

7.2.2 Pursuant to NCL §7512(a), one third of the voting power, represented in person or by proxy shall constitute a quorum at a General Meeting.

7.2.3 "Approval by (or approval of) the members," "approval by (or approval of) the Members," or "approval by (or approval of) the Voting Members" as required or permitted under the

NCL or these Bylaws shall have the meaning set forth in NCL §5034, except that the reference to members in NCL §5034 shall refer only to Voting Members of the Club.

7.2.4 The Board or the President or five percent or more of the Voting Members may call a special General Meeting for any lawful purpose at any time. A special General Meeting called by any person entitled to call a special General Meeting (other than the Board) shall be called by a request specifying the general nature of the business proposed to be transacted and submitted to the President or the Secretary/Treasurer. The Elected Officer receiving the request shall both Publish and cause notice to be given promptly to all Voting Members stating that a special General Meeting will be held at a specified time and date fixed by the Board, provided 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 special General Meeting may give the notice. Nothing in this section shall be construed as limiting, fixing or affecting the time at which a special General Meeting of Members may be held when the special General Meeting is called by the Board. No business, other than the business that was set forth in the notice of the special General Meeting, may be transacted at a special General Meeting.

7.2.5 A General Meeting and a Regular Meeting/Event may be called and held at the same time and place providing the chair of the General Meeting announces the commencement and adjournment of the General Meeting proceedings.

7.2.6 All voting by Voting Members shall be by written ballot. No voice voting shall be permitted.

7.3 Amendment of Bylaws. No amendment to these Bylaws shall be permitted if such amendment conflicts with the NCL, the Articles or the Constitution. An amendment to these Bylaws shall be effective if it is:

- (a) published at least ten (10) days prior to the date of any vote to approve or adopt such amendment; and
- (b) adopted or approved:
 - (1) at any General Meeting of the Club's Members, a quorum being present, by the affirmative written vote of not less than a majority of all Voting Members present and voting; or
 - (2) by a vote by written ballot when the number of votes cast by ballot by the Voting Members within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action and the number of approvals is not less than a majority of all Voting Members voting in compliance with the NCL Member Meeting/Voting Provisions.

8. Committees

8.1 Types of Committees. Without limiting the Board's authorities under Governing Law, the Club's Committees shall consist of:

- (a) such Non-Bylaws Committees or Director Committees as created by Board action;
- (b) an Executive Committee, which shall be a Director Committee; and
- (c) the following Bylaws Committees:
 - (1) Nominating Committee;
 - (2) Finance Committee
 - (3) Project Allocation Committee;
 - (4) Audit Committee;
 - (5) Development Committee; and

(6) Membership Committee and its Membership Retention Subcommittee and Review Subcommittee.

8.2 Chairs and Vice-Chairs. The chair and vice-chair of each Committee shall have and perform such powers and duties and be subject to such restrictions as may be established by Board action or as Governing Law may provide. In the absence a chair or while a chair is Incompetent, the vice-chair shall serve as chair and have and perform all powers and duties and be subject to such restrictions as chair.

8.3 Non-Bylaws Committees. The Board may create and dissolve any number of Non-Bylaws Committees. Any Board action creating a Non-Bylaws Committee may be modified or amended at anytime by subsequent Board action.

8.3.1 Any Board action creating a Non-Bylaws Committee shall set forth: (a) one or more purposes within the RI Five Avenues of Service (Club Service, Community Service, International Service, Vocational Service or New Generations); (b) the authorities delegated to such Non-Bylaws Committee, except that no Non-Bylaws Committee shall have any authority which the Board is prohibited from delegating by Governing Law (any authority which is purportedly delegated in violation of Governing Law shall instead be interpreted as the authority to advise the Board with respect to the subject matter and such authority shall remain solely vested in the Board); (c) the number of Members such Committee may have, including an unlimited number; and (d) any qualifications or pre-requisite for membership including whether the Members of the Non-Bylaws Committee need be Voting Members.

8.3.2 Except as otherwise provided herein or by the enabling actions of the Board for a Non-Bylaws Committee, each Non-Bylaws Committee shall have an appointed chair and, if authorized, an appointed vice chair who is a Member. No Member shall be appointed as a chair or vice-chair of any Non-Bylaws Committee unless:

- (a) the President nominated such Member to serve in such capacity during that President's term of office or the President-Elect nominated such Member to serve in such capacity during that President-Elect's expected term of office as President; and
- (b) such nomination was approved by the Board.

8.3.3 The effective date of any appointment of a chair or vice-chair of a Non-Bylaws Committee shall be the later of:

- (a) the effective date of such appointment as determined by Board action; or
- (b) in the case of an appointee nominated by the:
 - (1) President, the date such appointee's nomination was approved by the Board; or
 - (2) President-Elect, the date the President-Elect assumes the office of President.

8.3.4 Any Member serving on a Non-Bylaws Committee or any chair or vice-chair of a Non-Bylaws Committee may be removed with or without cause at any time by the President or Board action.

8.3.5 The President shall be an ex-officio member of each Non-Bylaws Committee and, as such, shall have all the privileges of membership thereon.

8.4 Director Committee Authorities. Subject to NCL §7212, the Board may create and dissolve by Board action any number of Director Committees, including the Executive Committee. Any Board action creating a Director Committee may be modified or amended at anytime by subsequent Board action. Any Director Committee shall have such authorities as may be provided or delegated by Board action, except that no Director Committee may: (a) take any final action on any matter that under the NCL also requires approval of the Voting Members or approval of a majority of all Members; (b) fill vacancies on the Board or any Director Committee; (c) fix compensation of the Directors for serving on the Board or on any Committee; (d) amend or repeal Bylaws or adopt new Bylaws; (e) amend or repeal any Board action that by its express terms is not so amendable or repealable; (f) create any other Director Committees or appoint the members of Director Committees; or (g) expend Club funds to support a nominee for Director if more people have been nominated for Director than can be elected.

8.5 Executive Committee. The Executive Committee shall: (a) be a Director Committee; (b) consist of the Elected Officers; and (c) have such authorities as may be delegated to it by the Board. The chair of the Executive Committee shall be the President and the vice chair shall be the President-Elect. The Executive Committee may designate the Executive Director as an ex officio member of the Executive Committee, but the Executive Director shall not be counted as part of a quorum or have the power to vote unless the Executive Director is also a Director.

8.6 Bylaws Committees. The Bylaws Committees shall consist of the Nominating Committee, the Finance Committee, the Project Allocation Committee, the Audit Committee, the Development Committee and the Membership Committee and its Membership Retention Subcommittee and Review Subcommittee as further established in this section. Only Voting Members may serve on Bylaws Committees.

8.6.1 General Authorities. In addition to the authorities expressly provided in these Bylaws, each Bylaws Committee shall have such authorities as may be approved by the Board, except that no Bylaws Committee shall have any authority which the Board is prohibited from delegating by Governing Law. Any authority which is purportedly delegated in violation of Governing Law shall instead be interpreted as the authority to advise the Board with respect to the subject matter and such authority shall remain solely vested in the Board.

8.6.2 Bylaws Amendments Regarding Bylaws Committees. The provisions of these Bylaws relating to and governing Bylaws Committees shall not be amended or revoked except by a resolution which is both approved by the Board and approved by the Voting Members.

8.6.3 Term of Committee. Each Bylaws Committee shall be deemed constituted (or reconstituted) on the first day of each fiscal year and shall exist until and terminate on the last day of such fiscal year.

8.6.4 Commencement of Bylaws Committee Membership. Membership on a Bylaws Committee shall commence on:

- (a) if Board approval is required, a commencement date as determined by Board action; or
- (b) if Board approval is not required, such commencement date as shall be determined by:
 - (1) the President if such commencement date is to occur during such President's term of office as President; or
 - (2) the President-Elect if such commencement date is to occur during the President-Elect's prospective term of office as President.

8.6.5 Termination of Bylaws Committee Membership. Membership on a Bylaws Committee shall terminate on the earlier to occur of: (a) the day such Bylaws Committee's existence terminates; (b) the date the Bylaws Committee member dies, becomes Incompetent or resigns from the Club or from the Bylaws Committee by notice to the Club; (c) the date the Bylaws Committee member is removed from the Bylaws Committee with or without cause by Board action.

8.6.6 Nomination and Appointment. Any nomination to serve on or be a chair or vice chair of a Bylaws Committee shall be made within the sole and absolute discretion of the Elected Officer authorized to make such nomination. No Voting Member shall be appointed as a member, chair or vice-chair of any Bylaws Committee unless such Voting Member has been nominated by such authorized Elected Officer and approved by the Board. The nomination, approval, appointment or removal of any Voting Member to serve on, be a chair or vice chair of or be removed as a member, chair or vice chair from a Bylaws Committee shall be made within the sole and absolute discretion of the Board. Any such nomination, approval, appointment or removal may be made for any reason or for no reason at all and with and without cause.

8.6.7 President-Elect Right to Nominate. If the President is the Elected Officer authorized under these Bylaws to nominate Voting Members to serve on or be a chair or vice-chair of a Bylaws Committee, the President-Elect, and not the President, shall have such right, duties and authorities for any such service during that President-Elect's prospective term of office as President.

8.6.8 Nominating Committee. The Nominating Committee shall consist of: the Past-President as chair, four Voting Members who have served in the office of Past-President who are nominated by the Past-President and approved by the Board and six other Voting Members who are nominated by the Past-President and approved by the Board. Directors shall not be eligible to serve on the Nominating Committee, except the immediate Past President. As provided herein, the Nominating Committee shall have the authorities to recruit, recommend to and notify the Board of:

- (a) candidates to stand for election to the Elected Offices and the offices of the At Large Directors to be elected at the next Annual Election Date, which candidates shall be Club-nominated candidates if approved by the Board;
- (b) Voting Member-nominated candidates nominated in accordance with Governing Law to stand for election to the Elected Offices and the offices of the At Large Directors to be elected at the next Annual Election Date; and
- (c) such other candidates for such other offices, including candidates to fill vacancies, as from time to time requested by the Board, which candidates shall be deemed nominated by the Club if approved by the Board.

8.6.9 Finance Committee. The Finance Committee shall: (a) oversee all financial operations of the Club, including the budget but excluding the audit or review of the Club's financial books and records; (b) consist of the President, the Secretary/Treasurer, the President Elect and such number of Voting Members who have been nominated by the President and approved by the Board; and (c) be chaired by the Secretary/Treasurer and such vice-chair as is nominated by the President and approved by the Board.

8.6.10 Project Allocation Committee. The Project Allocation Committee shall: (a) review requests for funding and make recommendations to the Board as to those purposes or projections which should receive funding (including the amounts thereof) from the Club or any Club Advised Fund; (b) consist of such Voting Members as have applied to the Club to serve on the Project Allocation Committee; and (c) be chaired by a chair and vice-chair who are Voting Members and who have been nominated by the President and approved by the Board.

8.6.11 Audit Committee. The Audit Committee shall: (a) cause the Club to conduct and oversee audits of the Club's financial books and records at such periods as the Audit Committee shall deem necessary and as required by these Bylaws; (b) have the authority to select, cause the Club to retain and supervise independent auditors for the purpose of conducting such audits; (c) consist of such number of Voting Members who have been nominated by the President and approved by the Board; and (d) be chaired by a chair and vice-chair who are Voting Members but not Directors and have been nominated by the President and approved by the Board.

8.6.12 Development Committee. The Development Committee shall: (a) endeavor to: (1) raise Members' awareness of the application of Club or Club Advised Fund proceeds to projects or charitable purposes; and (2) increase the number and amount of donations to the Club and Club Advised Funds; (b) consist of such Voting Members as have applied to the Club to serve on the Development Committee; and (c) be chaired by a chair and vice-chair who are Voting Members and who have been nominated by the President and approved by the Board.

8.6.13 Membership Committee. The Membership Committee shall: (a) endeavor to: (1) recruit persons to be Members who have demonstrated the qualifications for Club membership; (2) review applications, investigate applicants' qualifications and make recommendations to the Board as to whether such applications should be accepted for Club membership; and (3) incentivize existing Members to engage in and participate in Club activities and remain as active Members of the Club; (b) oversee the membership Retention Subcommittee and the Review Subcommittee; (c) consist of such Voting Members as have applied to the Club to serve on the Membership Committee; and (d) be chaired by a chair and vice-chair who are Voting Members and who have been nominated by the President and approved by the Board.

8.6.14 Review Subcommittee. The Review Subcommittee of the Membership Committee shall review applications, investigate applicants' qualifications and make recommendations to the Membership Committee as to whether such applications should be accepted for Club membership;

(b) consist of such number of Voting Members who have been nominated by the President and approved by the Board; and (c) be chaired by a chair and vice-chair who are Voting Members and who have been nominated by the President and approved by the Board.

8.6.15 Membership Retention Subcommittee. The Membership Retention Subcommittee of the Membership Committee shall: (a) endeavor to incentivize existing Members to engage in and participate in Club activities and remain as active Members of the Club; (b) consist of such Voting Members as have applied to the Club to serve on the Membership Retention Subcommittee; and (c) be chaired by a chair and vice-chair who are Voting Members and who have been nominated by the President and approved by the Board.

8.7 Meetings and Actions of Other Than Non-Bylaws Committees. Meetings and actions of Committees (including subcommittees), other than Non-Bylaws Committees, the Development Committee, the Membership Committee, the Review Subcommittee and the Membership Retention Subcommittee, shall be governed by, held and taken under the provisions of these Bylaws governing Board meetings and other Board actions, except that the time for regular meetings of such Committees and the calling of special meetings of such Committees may be set either by Board action or, if none, by the chair or vice-chair of the Committee or by action of the Committee. To the extent required by Governing Law or as authorized by the Board, minutes of each such Committee meeting shall be kept and filed with the Club books and records. The Board may adopt rules for the governance of any Committee that are consistent with these Bylaws. If the Board has not adopted rules, the Committee may do so, subject to the approval of the Board.

8.8 Committee Schedule. The Secretary/Treasurer shall cause the Club to prepare, maintain and annually Publish a schedule of the currently authorized Committees, which identifies the purpose of each Committee, the requirements, if any, for Committee membership, the Committee's chair and vice chair.

9. Finances

9.1 Fiscal Year. The fiscal year of the Club shall commence on July 1 of a calendar year and end on June 30 of the following calendar year.

9.2 Budget. Prior to the beginning of each fiscal year, the Board shall approve a budget of estimated income and expenditures for the year, which shall stand as the limit of expenditures for these purposes unless otherwise ordered by Board action.

9.3 Interim Financial Statements. Prior to each regular meeting of the Board, the Secretary/Treasurer shall prepare or caused to be prepared and distributed (by Electronic Transmission or otherwise) to the Directors interim financial statements including a balance sheet, profit and loss statement and other reports as will reasonably reflect all Club income and expenses during the period since the prior interim financial statement and during the fiscal year to date and comparing such to the approved budget.

9.4 Year-end Financial Statements, Audits and Reviews. Except for any fiscal year for which the Club obtains an audit of its year-end financial statements, as soon as practicable after the end of each fiscal year the Club shall promptly obtain a review of its year-end financial statements, significant financial transactions, records and procedures for such fiscal year. If the Club obtains reviewed year-end financial statements for two consecutive fiscal years, as soon as practicable after the end of the third fiscal year the Club shall obtain an audit of its year-end financial statements for such third fiscal year. By Board action, the Board at any time may require an audit or review of the Club's year-end or other period financial statements. Any audit or review shall be conducted by a certified public accountant or other qualified person or firm selected and supervised by the Audit Committee of the Club.

9.5 Club Funds. All Club funds shall be deposited in one or more federally-insured financial institutions approved by the Board. All Club debts shall be paid by checks or credit card approved by the Board, signed by such person or persons authorized to do so by the Board. As approved by the Board, officers and other members or employees having custody or control of Club funds may be bonded for the safe custody of the funds of the Club. The cost of such bond shall be borne by the Club.

10. Membership/Admitting Members/Classification/Termination

10.1 Criteria for Membership. The Club shall strive for a diversified membership reflective of the community it serves. There shall be no limitation on membership or other impositions on Members that would result in unlawful discrimination on the basis of race, national origin, sex, sexual orientation, religion, age, disability or political party or positions. The Club recognizes the importance of seeking out younger persons who are qualified for membership, and, to that end, has established the Young Professionals (YoPros) Group within the Club. The Club shall be composed of adult persons who demonstrate good character, integrity and leadership; who have good reputations within their business, profession and/or communities; and who are willing to serve in their community and/or around the world. However, recognizing that the Club is comprised of many of the leaders of our community, the Club will strive to recruit prospective members with the following characteristics:

- (a) engaged as a proprietor, partner, corporate officer or manager of any worthy and recognized business or profession;
- (b) holding any important position in any worthy and recognized business or profession or any branch or agency thereof;
- (c) having retired from any position listed in subparts (a) or (b), including any branch of the armed forces of the United States; or
- (d) being a community leader who has demonstrated through personal involvement in community affairs a commitment to service.

10.2 Types of Membership. Except as otherwise provided in these Bylaws, the Club shall have the following types of Members: (a) Active and Additional Active; (b) Young Professional; (c) Honorary; (d) Military Ex-officio Liaison; (e) Rotarian Emeritus; and (f) Senior

10.2.1 Notwithstanding the foregoing, from and after the effective date of these Bylaws, no Member may become a Senior Member, but individual Members who previously qualified for such types of memberships retain such status.

10.2.2 No Club Charges shall be payable by Honorary, Military Ex-officio Liaison or Rotarian Emeritus Members except for Club Charges for Regular Meetings/Events which such Members elect to attend or participate in. Active and Additional Active, Young Professional, Senior Members shall pay such Club Charges as are approved by the Board.

10.2.3 No person shall simultaneously be a Voting Member and either an Honorary Member or Military Ex-officio Liaison Member in this Club.

10.3 Admission Procedure for Voting Members. The Club shall offer admission to become Voting Members to only those persons whose applications to become Voting Members have been approved by the Board. Notwithstanding the foregoing, prior to the Board acting on an application to become a Voting Member, the Club shall comply with the following procedures.

10.3.1 An applicant to become a Voting Member shall be sponsored by an existing Voting Member and complete, execute and deliver an application for membership to the Club. Such application shall be in form and content approved by the Board and shall be endorsed by the sponsoring Voting Member and by two other existing Voting Members. Thereupon, the application shall be submitted to the Membership Committee. Notwithstanding the foregoing, if an applicant is terminating or has terminated his or her membership in another RI club, or previously terminated his or her membership in this Club, the application need be endorsed only by the sponsoring Member or the applicant's prior RI club.

10.3.2 The Membership Committee, or a designated subcommittee thereof, shall:
(a) conduct an investigation of the applicant to ensure the applicant meets all of the membership requirements of the Club's Constitution and these Bylaws; (b) determine a proposed classification for the applicant if the application is admitted as a Voting Member; and (c) make a recommendation to the Board to approve or disapprove the application.

10.3.3 Within 60 days following receipt of the Membership Committee's recommendation, the Board shall either disapprove the application, in which case the application shall be deemed

rejected, or preliminarily approve the application and the classification, through a regularly scheduled board meeting or an email vote after the recommendation of the Membership Committee. Promptly after such action, the President or Secretary/Treasurer shall cause the Club to notify the Membership Committee and the sponsoring Member of the Board's decision.

10.3.4 If an application has been preliminarily approved by the Board, the Club shall Publish the applicant's name and proposed classification. Any Voting Member within 5 business days after such Publication may notify the President and the Secretary/Treasurer of such Member's objection to the Board's preliminary approval of the application or the classification. Any such objection shall state the reasons for such objection.

10.3.5 If no notice of objection to the Board's preliminary approval is received within such 5 business-day period: (a) the Board's preliminary approval of the application and the classification shall become the final approval of the Board; (b) the applicant shall be offered admission as a Voting Member; and (c) the President shall notify the applicant of his or her offer of admission.

10.3.6 If a notice of objection to the Board's preliminary approval is received within such 10-day period, the application shall be reconsidered by the Board and the Board shall again vote on the application. If the application is disapproved by the Board, the application shall be deemed rejected and the President or Secretary/Treasurer shall cause the Club to notify the Membership Committee and the sponsoring Member of the Board's decision. If the application is approved (a) the applicant shall be offered admission as a Voting Member; and (b) the President shall notify the applicant of his or her offer of admission.

10.3.7 If an applicant accepts an offer of admission as a Voting Member and pays all Club Charges appurtenant to becoming a Voting Member, the Club shall arrange with the applicant, the primary sponsor and the President to induct the applicant as a Voting Member at a Regular Meeting/Event, whereupon the applicant shall be introduced to the Club's Members and informed of the purposes of Rotary and of the privileges and responsibilities of membership.

10.4 Honorary, Military Ex-officio Liaison & Rotarian Emeritus Members. Any Member may propose a candidate (including him or herself) to become an Honorary Member, Military Ex-officio Liaison Member or Rotarian Emeritus Member by submitting to the President or Secretary/Treasurer an application in form and content approved by the Board. Pursuant to such policies, procedures and criteria as may be approved by the Board, such application shall be reviewed by the Board or referred to a Committee for review and recommendation to the Board. Following such review, the Board shall either approve or disapprove the application.

10.4.1 Without limiting the Board's right to establish criteria for the approval of such applications, an applicant:

- (a) who resides within, or who has resided within, the territorial limits of the Club and who has distinguished him or herself by meritorious service in the furtherance of Rotary ideals or who is considered a friend of Rotary for his or her support of Rotary's cause may be considered for an offer of admission as an Honorary Member;
- (b) who is an active duty member of the armed forces of the United States and who occupies a position of significant military leadership or command in the officer or enlisted ranks within the territorial limits of the Club may be considered for an offer of admission as a Military Ex-officio Liaison Member; or
- (c) who has been a Member of the Club for at least 40 years or who is a long-term exemplary Member of this Club and, for various reasons, can no longer actively participate in Regular Meetings/Events may be considered for an offer of admission as a Rotarian Emeritus Member.

10.4.2 If the Board approves an application for admission as an Honorary Member, a Military Ex-officio Liaison Member or a Rotarian Emeritus Member: (a) the applicant shall be offered admission as such a Member; and (b) the President shall notify the applicant of his or her offer of admission.

10.4.3 Any candidate who accepts an offer of admission as an Honorary Member or Military Ex-officio Liaison Member shall not be a Voting Member, hold a classification or be entitled to any other rights or privileges in any other club within RI, but shall be: (a) entitled to attend all

Regular Meetings/Events (providing he or she pays all Club Charges therefore) and enjoy all other privileges of the Club; and (b) entitled to visit other Clubs without being the guest of a Rotarian.

10.4.4 Except as otherwise approved by the Board, an Honorary Member's membership shall expire at the end of the fiscal year in which the candidate became an Honorary Member.

10.5 Compliance with Member Rules. Each Member shall observe and conform his or her conduct in accordance with the Member Rules.

10.6 Duration of Membership. The membership of each Member (other than an Honorary Member) shall continue during the existence of the Club or until such Member resigns by notice to the Club, dies or becomes Incompetent or until such Member's membership is otherwise terminated as provided in these Bylaws.

10.7 Involuntary Termination of Membership. Except as otherwise provided in these Bylaws or NCL §§7340 and 7341, the Club with Board approval may give a Termination Notice to a Member upon the occurrence of a Termination Event resulting from such Member's violation of any Member Rule. Such Termination Notice shall contain: (a) a description of the Member Rule which has been violated; (b) the facts or circumstances upon which the Board concluded a Termination Event occurred; and (c) notice of the Member's right to dispute the Board's determination, but only if the Member notifies the Club of the dispute and the basis therefore within 20 days after the Termination Notice. If the Member fails to give timely notice of the Member's dispute of the Termination Notice, the Member's membership interest shall terminate. Any timely noticed dispute shall be resolved through Arbitration.

10.8 Classification. Each Active Member shall be classified in accordance with the Member's business, profession or type of community service. The classification shall be that which describes the principal and recognized activity of the firm, company or institution with which the Member is connected, that which describes the Member's principal and recognized business or professional activity or that which describes the nature of the Member's community service activity.

10.8.1 Retired Members. Each Member who is retired from active professional life shall be designated as "Retired" followed by the classification which best describes the Member's former business, profession or type of community service, except that such Member shall not be considered as representing that particular classification.

10.8.2 Rotarian Emeritus Members. Each Member who is admitted as a Rotarian Emeritus shall be designated as "Rotarian Emeritus" followed by the classification which best describes the Member's former or current business, profession or type of community service, except that such Member shall not be considered as representing that particular classification.

10.8.3 Correction or Adjustment. Any classification of a Member may be adjusted or corrected upon the recommendation of the Membership Committee with approval of the Board. Notice of a proposed correction or adjustment shall be provided to the Member, and the Member shall be permitted to comment by notice to the Board with respect to such change.

10.8.4 Limitations. Except for an offer of admission to an applicant who is transferring from another club within RI or an offer of admission to an applicant who was previously a Member of the Club, the Club shall not offer admission to any applicant if that applicant's proposed classification would cause the total number of Voting Members in that classification to constitute more than 10 percent of the Club's Voting Members. If a Voting Member no longer qualifies under such Voting Member's classification or seeks reclassification, the Club may continue such Voting Member's membership under the new classification notwithstanding this limitation.

10.8.5 Additional Active Members. Except as otherwise provided herein: (a) each classification shall have one Active Member; and (b) in any classification which already has one Active Member, one or more applicants or Members may be proposed for such classification and may be designated as Additional Active Members in such classification upon the recommendation of the Membership Committee with the approval of the Board as long as each is actively engaged in the same classification as that of the Active Member.

10.8.6 Public Office Holder. Except as otherwise provided herein, applicants elected or appointed to public office for a specified time only shall not be eligible for admission as an Active

Member under the classification of such office. This restriction shall not apply to applicants holding positions or offices in schools, colleges or other institutions of learning or to persons who are elected or appointed to the judiciary. Members who are elected or appointed to public office for a specified period may continue as Members in their existing classifications during the period in which they hold such office.

11. Dispute Resolution

11.1 Any dispute between the Club, any current or former Member, any current or former Club officer (including any Elected Officer) or employee or any current or former Director related to or arising from Club operations, policies, procedures, activities, actions or functions or Governing Law shall be resolved by binding Arbitration upon request to the Secretary/Treasurer by any of the disputants.

11.2 Within 21 days after submittal of a request for Arbitration, the disputants shall mutually select a retired judge of the Superior Court of the State of California residing in San Diego County to serve as the arbitrator. If the disputants cannot agree upon an arbitrator within such 21 day period, either disputant may petition the Presiding Judge of the Superior Court of the County of San Diego for appointment of an arbitrator.

11.3 The Arbitration shall be conducted in accordance with the California Arbitration Act, California Code of Civil Procedure §1280 *et seq.* California Code of Civil Procedure §1283.05 (relating to the taking of depositions and obtaining discovery) is hereby incorporated by reference as permitted under California Code of Civil Procedure §1283.1(b). The decision or award of the arbitrator shall be final and binding on all disputants and shall not be subject to appeal except as provided by Governing Law. The costs and fees of the arbitrator shall be equally borne by the disputants.

12. Miscellaneous

12.1 Incorporation of Constitution By Reference. The Club's Constitution is hereby incorporated by reference. If any term or provision of the Constitution conflicts with these Bylaws, the term or provision of the Constitution shall control.

12.2 Electronic Records and Electronic Transmission. To the fullest extent permitted by law, the Club may generate, keep, receive, maintain or store all writings (as defined in California Corporations Code §8 or Evidence Code §250), including minutes, books or records in any way relating to or evidencing the Club, or any other matter related thereto, in one or more "electronic records" (which means information inscribed on a tangible medium or stored in an electronic or other medium and which is retrievable in perceivable form other than a record inscribed or stored on paper or a paper equivalent). To the extent permitted by Evidence Code §255, any such electronic record shall constitute an original writing if it was intended to have such effect by the person creating, executing or issuing it, which intent shall be presumed unless otherwise indicated in the writing.

12.3 Interpretation. The provisions of these Bylaws shall be interpreted in a reasonable manner to implement the purposes of RI, Governing Law and the Voting Members and as follows.

12.3.1 Wherever the context of these Bylaws requires, all words used in the singular shall be construed to have been used in the plural, and vice versa, and the use of any gender specific pronoun shall include any other appropriate gender.

12.3.2 The term "person" shall refer to any individual, corporation or legal entity having standing to bring an action in its own name under California law.

12.3.3 The use of the conjunctive "or" shall mean "and/or" unless otherwise required by the context in which the conjunctive "or" is used.

12.3.4 The term "including" shall mean "including without limitation" and "including but not limited to" unless otherwise required by the context in which the term "including" is used.

12.3.5 In these Bylaws, articles are distinguished by article numbers having no decimal point or no numbers to the left of the decimal point (i.e. "Article 12 or "12."), sections are distinguished by section numbers on both sides of a single decimal point (i.e. "12.2") and

subsections are distinguished by subsection numbers on both sides of two decimal points (i.e. 12.2.2). Reference to an "article" shall include the terms and provisions of each section thereunder and reference to a "section" shall include the terms and provisions of each subsection under such section. Article, section, and subsection titles and captions contained in these Bylaws are inserted as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of these Bylaws or the intent of any of its provisions.

12.3.6 If a sentence is divided into subparts or sub-subparts which are separated by lower case letters or numbers in parentheses (i.e. "(a)" followed by text or "(1)" followed by text), the conjunction appearing between the last and penultimate subpart or sub-subpart shall be deemed to have appeared between each subpart or sub-subpart. Such rule of construction shall apply notwithstanding that other sentences so divided into subparts or sub-subparts may have conjunction appear between each such subpart or sub-subpart (as well as between the last and penultimate subpart or sub-subpart).

12.4 Recitals, Exhibits & Schedules. Any recitals set forth at the beginning of these Bylaws of any matters or facts shall be conclusive proof of the truthfulness thereof and the terms and conditions set forth in the recitals, if any, shall be deemed a part of the Bylaws. Each exhibit or schedule attached hereto is hereby incorporated by reference and shall be deemed a part of these Bylaws.

12.5 Choice of Law. These Bylaws shall be governed by and construed under the laws of the State of California, irrespective of such state's choice-of-law principles.

12.6 Severability. If any term or provision of these Bylaws is determined to be illegal, unenforceable or invalid in whole or in part for any reason, such illegal, unenforceable or invalid provisions or part thereof shall be stricken from these Bylaws, and such provision shall not affect the legality, enforceability or validity of the remainder of these Bylaws. If any provision or part thereof of these Bylaws is stricken in accordance with the provisions of this section, then the stricken provision shall be replaced, to the extent possible, with a legal, enforceable and valid provision that is as similar in tenor to the stricken provision as is legally possible.

12.7 Time. Time is of the essence to the performance of each and every obligation imposed under these Bylaws.

12.8 Waivers. Any waiver by any person in connection with these Bylaws shall be shall be subject to the requirements for communications herein and shall not be construed as a continuing waiver. No waiver will be implied from any delay or failure to take action on account of any default by any person. Consent by any person to any act or omission by another person shall not be construed to be a consent to any other subsequent act or omission or to waive the requirement for consent to be obtained in any future or other instance.

The undersigned hereby certifies these BYLAWS-Second Restatement of the ROTARY CLUB OF SAN DIEGO INC., a California nonprofit mutual benefit corporation, were duly adopted in accordance with Governing Law.

Dated TBD

K. Harenski, Secretary/Treasurer

Mia

EXHIBIT 1

DEFINED TERMS

"**Annual Election Date**" shall mean a date in December of each year established by the Board.

"**Appointed Office**" shall mean any office, other than an Elected Office, created and filled by the appointment of the Board, which office may include the offices of any Executive Director, vice president, assistant secretary, assistant treasurer or other office. The term "**Appointed Officer**" shall mean any person appointed to fill and who assumes an Appointed Office.

"**Articles**" shall mean the articles of incorporation of the Club as from time to time amended.

"**At Large Director**" shall mean one of the ten elected directors

"**Bylaws**" shall have the meaning set forth in NCL §5037 and refer to these BYLAWS-Second Restatement of the ROTARY CLUB OF SAN DIEGO INC., a California nonprofit mutual benefit corporation, as from time to time amended or restated.

"**Bylaws Committee**" shall mean a Member Committee the specific existence of which is expressly authorized in these Bylaws as a Bylaws Committee.

"**Club**" shall mean the ROTARY CLUB OF SAN DIEGO, a California nonprofit mutual benefit corporation and as referred to in NCL §5046. Any reference to the "corporation" in the NCL shall be interpreted as referring to the Club in these Bylaws.

"**Club Advised Fund**" shall mean any property, endowment, account or other fund held or administered by charitable organization where such charitable organization solicits or receives the nonbinding advice of the Club concerning the donation or use of proceeds from such fund for charitable purposes.

"**Club Charges**" shall mean all dues, fees or other charges (including charges for Regular Meetings/Events, food and beverages served at Regular Meetings/Events or other sanctioned events, RI per capita fees, RI magazine subscriptions or other Rotary related activities) payable by Members to the Club as approved by the Board.

"**Committee**" shall mean either a Member Committee (either a Bylaws Committee or a Non-Bylaws Committee) or a Director Committee or both as the context shall require.

"**Constitution**" shall mean the CONSTITUTION OF THE ROTARY CLUB OF SAN DIEGO as from time to time amended or restated.

"**Director Committee**" shall mean a Committee established by Board action and which consists solely of two or more Directors.

"**District**" shall mean ROTARY DISTRICT 5340 of ROTARY INTERNATIONAL, an Illinois nonprofit corporation.

"**Effective Date**" shall mean June 1, 2011

"**Electronic Transmission**" means a communication by the Club or to the Club that complies with California Corporations Code §§20 and 21 requirements for communications by a corporation or to a corporation. An Electronic Transmission of a communication from a Member or a Director to the Club or to other Directors or Members from a facsimile number or electronic mail address on record with the Club shall be deemed a reasonable measure to verify the sender is the Member or Director purporting to send the communications. Any reference in the NCL "electronic transmission by and to the corporation (Sections 20 and 21)" shall instead be to Electronic Transmission as defined in these Bylaws.

"Elected Office" shall mean the office of the President, the President-Elect, the President-Nominee, the Past-President and the Secretary/Treasurer or any or all of them as the context shall require. The term **"Elected Officer"** shall mean any person elected or appointed to fill and who assumes an Elected Office.

"Executive Director" shall mean the person, if any, appointed by the Board as the Club's Executive Director.

"General Meeting" shall mean an annual or special meeting of the Voting Members which shall be governed by the NCL Member Meeting/Voting Provisions and which may coincide or be part of a Regular Meeting/Event.

"Governing Law" shall mean the NCL, the Articles, the Constitution, these Bylaws or other laws and regulations applicable to the Club and its operations.

"Incompetent" shall mean a determination by a person's personal physician that such person is incapable of making sound business decisions.

"Member" shall mean, notwithstanding the definition of member in NCL §5056 to the contrary, any person who is admitted as a member of the Club regardless of whether such person is or is not a member as defined in NCL §5056 or lacks the right to vote for the election of Directors, on a disposition of all or substantially all of the Club's assets, on a merger or dissolution of the Club or on a change in Articles or Bylaws.

"Member Committee" shall mean either a Bylaws Committee or a Non-Bylaws Committee which consists of Members.

"Member Rules" shall mean: (a) established RI principles, including the "Four Way Test," governing the conduct and obligations of members of clubs with RI; (b) any obligation of a Member under these Bylaws or the Constitution; (c) a Member's obligation to timely pay Club Charges; (d) any additional Member Rules existing as of the Effective Date that are set forth as an exhibit to these Bylaws; and (e) such additional rules and regulations governing the conduct and obligations of Members as shall be adopted from time to time by the Board in accordance with these Bylaws.

"NCL Member Meeting/Voting Provisions" shall mean Part 2, Chapters 5 and 6 of the NCL (NCL §§7510 – 7616).

"Non-Bylaws Committee" shall mean a Member Committee established by Board action.

"Past-President" shall mean: (a) the person who served as President immediately prior to the current President succeeding or being appointed to office; or (b) following a vacancy in such office where there is no immediate Past President, a person who has previously served as Past President and who is appointed by the Board to serve as the interim Past President until an immediate Past President is available to succeed to such office.

"President" shall mean: (a) the person elected by the Club to succeed to the office of President as provided by these Bylaws; or (b) following a vacancy where there is neither a President-Elect nor a President-Nominee to succeed to such office, the person appointed by the Board to fill such vacancy as provided by Governing Law.

"President-Elect" shall mean: (a) the person elected by the Club to succeed to the office of President-Elect as provided by these Bylaws; or (b) following a vacancy where there is no President-Nominee to

succeed to such office, the person appointed by the Board to fill such vacancy as provided by Governing Law.

"Publication" or **"Publish"** shall mean either:

- (a) to the extent either is in existence, both: (1) the publishing of a communication in the Club's newsletter (currently entitled *The Rotator* as of the Effective Date); and (b) the posting of the communication on the Club's website (www.rotary33.org as of the Effective Date) or on such other website, electronic message board or network which the Club has designated for such communications; or
- (b) notice to each Voting Member that complies with the notice requirements of these Bylaws.

"President-Nominee" shall mean: (a) the person elected by the Club to such office; or (b) following a vacancy in such office, the person appointed by the Board to serve as the interim President-Nominee until a successor is duly elected and qualified.

"Regular Meeting/Event" shall mean a regular meeting of the Members or a Club sponsored event in which Members are expected to participate or attend as approved by the Board, but which are not subject to or governed by the NCL Member Meeting/Voting Provisions.

"Rotary" or **"RI"** shall mean ROTARY INTERNATIONAL, a corporation organized under the Illinois Not-For-Profit Corporation Act, and its subsidiaries.

"Secretary/Treasurer" shall mean the person elected by the Club or, to the extent provided by Governing Law, the person appointed by the Board to serve as the Secretary/Treasurer of the Club.

"Termination Event" shall mean a Member's: (a) failure to timely pay Club Charges when due; or (b) conduct in violation of Member Rules.

"Voting Member" shall mean person who is a member as defined in NCL §5056 and who under these Bylaws is entitled to vote for the election of Directors, on a disposition of all or substantially all of the Club's assets, on a merger or dissolution of the Club or on a change in Articles or Bylaws.

EXHIBIT 7.1.3

ROTARY CLUB OF SAN DIEGO, INC. a California nonprofit mutual benefit corporation

MEMBER RULES

Effective June 1, 2011

Except as otherwise specifically defined in these MEMBER RULES, words and phrases having their initial letters capitalized have the meanings set forth in the BYLAWS-Second Restatement of the ROTARY CLUB OF SAN DIEGO, INC. as adopted as of June 1, 2011.

1. Attendance Rules

1.1 General Provisions. Each Member shall attend or participate in at least 60 percent of all scheduled Regular Meetings/Events of the Club. A Member shall be deemed to have attended or participated in a Regular Meeting/Event if the Member is present at a scheduled Regular Meeting/Event of the Club or, within 14 days before or after a scheduled Regular Meeting/Event of the Club, the Member makes up such absence by:

- (a) attending a regular meeting of another club within RI;
- (b) attending a regular meeting of a Rotaract or Interact Club, Rotary Community Corps or a Rotary Fellowship;
- (c) attending a convention of RI, a council on legislation, an international assembly, a Rotary institute for past and present officers of RI, a Rotary institute for past, present and incoming officers of RI, or any other meeting convened with the approval of the RI board of directors or the president of RI acting on behalf of the RI board of directors, a Rotary multi-zone conference, a meeting of a committee of RI, a Rotary district conference, a Rotary district assembly, any district meeting held by direction of the RI board of directors, any district committee meeting held by the direction of the District Governor, or a regularly announced intercity meeting of Rotary Clubs;
- (d) being present at the usual time and place of a regular meeting of another Club for the purpose of attending such meeting, but that Club is not meeting at that time or place;
- (e) attending and participating in a Club service project or a Club-sponsored event or meeting approved by the Board as a makeup event; or
- (f) attending a Board meeting or, if authorized by the Board, a meeting of a Committee to which the Member is assigned, but only if such attendance is approved by the Board as a makeup event.

1.2 Traveling Outside the US. If a Member is traveling outside the United States for more than 14 days, the 14-day before/after period shall be extended so that the Member may attend meetings outside the United States at any time during the travel period, and each such attendance shall count as a valid make-up for any absence from a scheduled Regular Meeting/Event of the Club during the Member's time abroad.

1.3 Excused Absences. A Member's absence from a scheduled Regular Meeting/Event of the Club shall be excused if:

- (a) the Member is 65 years of age or older and has been a Member of any Rotary or Rotaract Club for at least 20 years, the Member has notified the Club of the Member's request to be excused from attendance and such request has been approved by the Board;
- (b) the absence is approved as an excused absence by the Board;

- (c) the Member is a current officer of RI and at the time of the meeting, the Member is:
- (1) traveling with reasonable directness to or from a convention of RI, a council on legislation, an international assembly, a Rotary institute for past and present officers of RI, a Rotary institute for past, present and incoming officers of RI, or any other meeting convened with the approval of the RI board of directors or the president of RI acting on behalf of the RI board of directors, a Rotary multi-zone conference, a meeting of a committee of RI, a Rotary district conference, a Rotary district assembly, any district meeting held by direction of the RI board of directors, any district committee meeting held by the direction of the District governor, or a regularly announced intercity meeting of Rotary Clubs;
 - (2) serving as an officer or member of a committee of RI, or a trustee of the Rotary Foundation;
 - (3) serving as the special representative of the District governor in the formation of a new club;
 - (4) on Rotary business in the employ of RI;
 - (5) directly and actively engaged in a service project sponsored by the District, RI or the Rotary Foundation in a remote area where making up attendance is impossible; or
 - (6) engaged in Club or Rotary business duly approved by the Board which precludes attendance at the Regular Meeting/Event.

1.4 Leaves of Absence. Upon notice to the Board setting forth good and sufficient cause, the Board may approve a request for a leave of absence excusing a Member from attending the Regular Meetings/Events of the Club for a specified length of time.

1.5 Additions to Attendance Rules. The Board may adopt additional Attendance Rules which are not inconsistent with these Bylaws. Any additional Attendance Rule promulgated by the Board may be repealed with the approval of the Board.

1.6 Club Attendance Records. The Club shall maintain records of Voting Member attendance at Regular Meetings/Events and General Meetings of the Club. The Club shall exclude any Voting Member having an excused absence in calculating or reporting any statistics or data based on such attendance records.

2. No Advertising at Regular Meetings/Events

No advertising, promotional or similar type material shall be distributed or displayed at any Regular Meeting/Event of the Club meeting without the prior approval of the President.

3. No Special Appeals or Announcements at Regular Meetings/Events

No special appeals or announcements shall be made at any Regular Meeting/Event of the Club without the prior approval of the President.

4. Mandatory Subscription to RI Magazine

Each Member shall subscribe to the official magazine of RI. The Club shall collect the subscription charge therefore in advance from each Member as a Club Charge and remit such collections to RI. Notwithstanding the foregoing, the Club shall not collect subscription charges for subscription periods longer than six months in advance.