

AMENDED AND RESTATED

BYLAWS OF

CAL-SARA

A California Mutual Benefit Corporation

ARTICLE I

NAME; PRINCIPAL OFFICE; PURPOSE

Section 1.1 Corporate Name. The name of the organization is Cal-SARA.

Section 1.2 Principal Office. The principal office for the transaction of the activities and affairs of this corporation is located at 781 Beach Street, Suite 302, San Francisco, California 94109. The board of directors may change the location of the principal office. Any such change of location must be noted by the secretary on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

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

Section 1.3 Purpose. This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law and exclusively for purposes described in section 501(c)(6) of the Internal Revenue Code. In the context of these general purposes, the corporation shall promote legal and regulatory compliance in the sale of workers compensation insurance and promote the common business interest of members in recognizing and eliminating workers' compensation fraud in the temporary staffing/staffing/recruiting industries.

Section 1.4 Construction; Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law set forth in California Corporations Code Section 5002, et seq., in effect from time to time and any successor statute, shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

Section 1.5 Irrevocable Dedication of Assets. This corporation's assets are irrevocably dedicated to tax exempt purposes. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or

individual, or to any director or officer of the corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for mutual benefit purposes and that has established its exempt status under Internal Revenue Code §501(c)(6).

ARTICLE II

MEMBERSHIP

Section 2.1 Membership. This corporation shall have one class of members. Any person or entity dedicated to the purposes of the corporation shall be eligible for membership on approval of the member's completed membership application and membership agreement by the board, and on timely payment by the member of such dues and fees as the board may fix from time to time.

Section 2.2 Membership Rights. Members shall have the right to vote, as set forth in these bylaws, on the election of directors, on the sale of all or substantially all of the corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the corporation. In addition, members shall have all rights afforded members under the California Nonprofit Mutual Benefit Corporation Law set forth in California Corporations Code Section 7110, et seq., in effect from time to time and any successor statute.

Section 2.3 Termination of Membership. Subject to the procedure set forth in Section 5 below, a membership shall terminate on occurrence of any of the following events:

- (1) Resignation of the member;
- (2) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the board;
- (3) The member's failure to pay dues, fees, or assessments as set by the board within 30 days after they are due and payable;
- (4) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or
- (5) Termination of membership under these bylaws based on the good faith determination by the board, or a committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the corporation, or has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interests.

Section 2.4 Suspension of Membership. Subject to the procedure set forth in Section 2.5 below, a member may be suspended based on the good faith determination by the board, or a

committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interests. A person whose membership is suspended shall not be a member during the period of suspension.

Section 2.5 Procedure for Termination or Suspension of Membership. If grounds appear to exist for suspending or terminating a member, the following procedure shall be followed:

- (1) The board shall give the member at least 15 days' prior notice of the proposed suspension or termination and the reasons for the proposed suspension or termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the corporation's records.
- (2) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered, by the board or by a committee or person authorized by the board to determine whether the suspension or termination should occur.
- (3) The board, committee, or person shall decide whether the member should be suspended, expelled, or sanctioned in any way. The decision of the board, committee, or person shall be final, provided the action was done in good faith and in a fair and reasonable manner.
- (4) Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension, or termination.

Section 2.6 Dues Nonrefundable. Member dues are not refundable. A member who is suspended or whose membership is terminated shall be liable for any charges incurred, services or benefits actually rendered, dues, assessments or fees incurred before the suspension or termination or arising from contract or otherwise.

Section 2.7 Annual Meeting. A general meeting of members shall be held at least annually at such time and place, and on such notice, if any, as the board may determine. Unless elected by written ballot, directors shall be elected at the annual meeting. Any other proper business may be transacted at the annual meeting.

Section 2.8 Location of Meetings. Meetings of the members shall be held at any place within or outside California designated by the board or by the written consent of all members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, members' meetings shall be held at the corporation's principal office. The board may authorize members who are not present in person to participate by electronic transmission or electronic video communication.

Section 2.9 Special Meetings. A special meeting called by any person entitled to call a meeting of the members shall be called by written request, specifying the general nature of the business proposed to be transacted, and addressed to the attention of and submitted to the chair of the board, if any, or the president or any vice president or the secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, stating that a meeting will be held at a specified time and date fixed by the board. If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice.

Section 2.10 Notice of Meeting. Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given not less than 20 nor more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote thereat. The notice shall state the place, date and time of the meeting, the means of electronic communication, if any, by which members may participate in that meeting, and in the case of a special meeting, the general nature of the business to be transacted and that no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given to members. Members of record at the close of business on the business day preceding the day on which notice is given or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held, are entitled to notice of a meeting of members.

Section 2.11 Quorum. One-third (33.33%) of the voting power shall constitute a quorum for the transaction of business at any meeting of members.

Section 2.12 Eligibility to Vote. Members on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting of members or, in the case of an adjourned meeting, members on the day of the adjourned meeting who are otherwise eligible to vote are entitled to vote at the adjourned meeting of members.

Section 2.13 Manner of Voting. Voting may be by voice or by ballot, except that any election of directors must be by ballot if demanded before the voting begins by any member at the meeting. Each member shall have a designated representative to vote on its behalf as set forth in the membership agreement.

Section 2.14 Number of Votes. Each member entitled to vote may cast one vote on each matter submitted to a vote of the members.

Section 2.15 Majority Approval. If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the members unless the vote of a greater number, or voting by classes, is required by the California Nonprofit Mutual Benefit Corporation Law or by the articles of incorporation.

Section 2.16 Waiver of Notice or Consent. The transactions of any meeting of members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after standard call and notice, if (1) a quorum is present either in person or by proxy, and (2) either before or after the meeting, each member entitled to vote, not present in person or by proxy,

signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice, consent, or approval shall specify the business to be transacted, the purpose of the meeting, or the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

Section 2.17 Action by Written Ballot. Any action required or permitted to be taken by the members may be taken without a meeting, if one-third (33.33%) of the members approve the action by written ballot. The ballots shall be filed with the minutes of member meetings. The action by written ballot shall have the same force and effect as a vote of the members at a meeting.

ARTICLE III

BOARD OF DIRECTORS

Section 3.1 General Powers. Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the articles or bylaws of the corporation relating to actions requiring member approval, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the board. The board may delegate the management of the activities of the corporation to any person or persons, management company, or committee however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the board.

Section 3.2 Specific Powers of Board. Without prejudice to the general powers set forth in Section 3.1 of these bylaws, but subject to the same limitations, the board shall have the power to do the following:

- (1) Appoint and remove, at the pleasure of the board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and require from them security for faithful service.
- (2) Change the principal office or the principal business office in California from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in or outside California for holding any meeting of members.

(3) Borrow money and incur indebtedness on the corporation's behalf and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

(4) Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

Section 3.4 Board Size; Designated Directors. The board of directors shall consist of an odd number of directors of at least five (5) but no more than eleven (11) unless changed by amendment to these bylaws. The exact number of directors shall be fixed, within those limits, by a resolution adopted by the board of directors. The majority of the directors shall be designated by the board rather than elected by the members. For purposes of illustration, if the number of directors is five (5), three (3) of the directors shall be designated by the board and two (2) shall be elected by the members.

Section 3.5 Term; Term Limits. Each director shall hold office for two (2) years and until a successor director has been elected or designated and qualified. No director, other than a designated director, may serve more than two (2) consecutive terms.

Section 3.6 Nominations by Committee. The chair of the board or, if none, the president, may appoint a committee to nominate qualified candidates for election to the board and the nominating committee shall make its report in time for the secretary to forward a list of all candidates nominated by the committee to each member with the notice of meeting required by these bylaws.

Section 3.7 Floor Nominations. When a meeting is held for the election of directors, any member present at the meeting may place names in nomination.

Section 3.8 Nominee's Right to Solicit Votes. The board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications and the reasons for the nominee's candidacy, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for all members to choose among the nominees.

Section 3.9 Use of Corporate Funds. If more people have been nominated for director than can be elected, no corporate funds may be expended to support a nominee without the board's authorization.

Section 3.10 Resignation of Directors. Any director may resign by giving written notice to the chair of the board, if any, or to the president or the secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective.

Section 3.11 Removal of Directors. If the corporation has no members, any director may be removed, with or without cause, by the vote of the majority of the members of the entire board of directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given with notice of the meeting. However, a director who was designated as a director rather than elected by the members may be removed without cause by the person or persons who designated that director, and may not be removed without the written consent of that person or persons.

Any director who does not attend three (3) successive board meetings will automatically be removed from the board without board resolution unless:

- (A) The director requests a leave of absence for a limited period of time, and the leave is approved by the directors at a regular or special meeting. If such leave is granted, the number of board members will be reduced by one in determining whether a quorum is or is not present;
- (B) The director suffers from an illness or disability which prevents him or her from attending meetings and the board by resolution waives the automatic removal procedure of this subsection; or
- (C) The board by resolution of the majority of board members agrees to reinstate the director who has missed three meetings.

Section 3.12 Vacancies. Vacancies on the board, including vacancies occurring in the board by reason of the removal of directors, may be filled by approval of the board or, if the number of directors then in office is less than a quorum, by (1) the unanimous written consent of the directors then in office, (2) the affirmative vote of a majority of the directors then in office at a meeting held pursuant to notice or waivers of notice, or (3) a sole remaining director.

Section 3.13 No Removal on Reduction of Number of Directors. Any reduction of the authorized number of directors shall not result in any director's being removed before his or her term of office expires.

Section 3.14 Meetings by Telecommunication. Any board meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if both the following apply:

- (1) Each member participating in the meeting can communicate concurrently with all other members.
- (2) Each member is provided the means of participating in all matters before the board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

Section 3.15 Annual Meeting of Board. Immediately after each annual meeting of members, the board shall hold a general meeting for purposes of organization, election of officers, and transaction of other business. Notice of this meeting is not required. Other general meetings of the board may be held without notice at such time and place as the board may fix from time to time.

Section 3.16 Special Meetings. Special meetings of the board for any purpose may be called at any time by the chair of the board, if any, the president or any vice president, the secretary, or any two directors. Special meetings of the board shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice delivered personally or by telephone, including a voice messaging system, or by electronic transmission by the corporation. However, notice of a meeting need not be given to a director who provided a waiver of notice or consent to holding the meeting or an approval of the minutes thereof in writing, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to that director. These waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 3.17 Quorum. A majority of the number of directors authorized in or pursuant to the articles or bylaws of the corporation constitutes a quorum of the board for the transaction of business.

Section 3.18 Action by Written Consent. An action required or permitted to be taken by the board may be taken without a meeting if all directors individually or collectively consent in writing to that action so long as the number of directors then in office constitutes a quorum. The written consent or consents shall be filed with the minutes of the proceedings of the board.

Section 3.19 Director Duties and Liabilities. A director shall perform the duties of a director, including duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Section 3.20 Director Voting. Each director shall have one vote on each matter presented to the board of directors for action. No director may vote by proxy.

Section 3.21 Creating Committees. The board may create one or more committees by resolution adopted by a majority of the directors then in office, provided a quorum is present, each consisting of two or more directors to serve at the pleasure of the board. The Board Chair appoints all committee chairs. The board may grant a committee authority to act on behalf of the board with regard to specified matters, except with regard to the following:

- (1) The approval of any action for which this part also requires approval of the members or approval of a majority of all members, regardless of whether the corporation has members.

- (2) The filling of vacancies on the board or in any committee which has the authority of the board.
- (3) The fixing of compensation of the directors for serving on the board or on any committee.
- (4) The amendment or repeal of bylaws or the adoption of new bylaws.
- (5) The amendment or repeal of any resolution of the board which by its express terms is not so amendable or repealable (i.e. if the board adopts a resolution that includes a provision that it can only be amended or repealed with full board approval, or with member approval, rather than by committee action).
- (6) The appointment of committees of the board or the members thereof.
- (7) The expenditure of corporate funds to support a nominee for director after there are more people nominated for director than can be elected.
- (8) With respect to any assets held in charitable trust, the approval of any self-dealing transaction except as provided in paragraph (3) of subdivision (d) of Section 5233 of California Nonprofit Corporation Law.

Section 3.22 Committee Meetings. Meetings and actions of committees of the board shall be governed by, held, and taken under the provisions of these bylaws concerning meetings and other board actions, except that the time for general meetings of board committees and the calling of special meetings of board committees may be set either by board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The board may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the board has not adopted rules, the committee may do so.

ARTICLE IV

OFFICERS OF THE CORPORATION

Section 4.1 Election of Officers. The officers of this corporation shall be chosen annually by the board and shall serve at the pleasure of the board, subject to the rights of any officer under any employment contract.

Section 4.2 Removal or Resignation of Officers. Without prejudice to the rights of any officer under an employment contract, the board may remove any officer with or without cause. Any officer may resign at any time by giving written notice to the board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any

resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.

Section 4.3 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointments to that office.

Section 4.4 Responsibilities of President. Subject to such supervisory powers as the board may give to the chair of the board, if any, and subject to the control of the board, the president shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. The president shall preside at all members' meetings and, in the absence of the chair of the board, or if none, at all board meetings. The president shall have such other powers and duties as the board or the bylaws may require.

Section 4.5 Responsibilities of Vice Presidents. If the president is absent or disabled, the vice presidents, if any, in order of their rank as fixed by the board, or, if not ranked, a vice president designated by the board, shall perform all duties of the president. When so acting, a vice president shall have all powers of and be subject to all restrictions on the president. The vice presidents shall have such other powers and duties as the board or the bylaws may require.

Section 4.6 Responsibilities of Secretary. The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings, and actions of the board, of committees of the board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; the names of persons present at board and committee meetings; and the number of members present or represented at members' meetings.

The secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.

The secretary shall keep or cause to be kept, at the corporation's principal office or at a place determined by resolution of the board, a record of the corporation's members, showing each member's name, address, and class of membership.

The secretary shall give, or cause to be given, notice of all meetings of members, of the board, and of committees of the board that these bylaws require to be given. The secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may require.

Section 4.7 Responsibilities of Chief Financial Officer. The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The chief financial officer shall send or cause to be given to the members and directors such notices and reports as are required to be given by law, by these bylaws, or by the board, including with regard to annual reports required by Corporations Code Section 8321 and annual statements of certain transactions and indemnifications required by

Corporations Code Section 8322, as outlined in Article VI below. The books of account shall be open to inspection by any director at all reasonable times.

The chief financial officer shall (1) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate; (2) disburse the corporation's funds as the board may order; (3) render to the president, chair of the board, if any, and the board, when requested, an account of all transactions as chief financial officer and of the financial condition of the corporation; and (4) have such other powers and perform such other duties as the board or the bylaws may require.

If required by the board, the chief financial officer shall give the corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the office and for restoration to the corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the chief financial officer on his or her death, resignation, retirement, or removal from office.

ARTICLE V

INDEMNIFICATION

Section 5.1 Right to Indemnification. This corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an officer, director, or agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, or other enterprise, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the California Nonprofit Corporation Law.

In determining whether indemnification is available to the director, officer, or agent of this corporation under California law, the determination as to whether the applicable standard of conduct set forth in Corporations Code §7237 has been met shall be made by a majority vote of a quorum of directors who are not parties to the proceeding. If the number of directors who are not parties to the proceeding is less than two-thirds of the total number of directors seated at the time the determination is to be made, the determination as to whether the applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled, and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

ARTICLE VI
REQUIRED REPORTS

Section 6.1 Corporate Records. This corporation shall keep the following:

- (1) Adequate and correct books and records of account;
- (2) Minutes of the proceedings of its members, board, and committees of the board; and
- (3) A record of each member's name, address, and class of membership.

The minutes and other books and records shall be kept either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the two.

Section 6.2 Annual Reports and Statements. As part of the annual report to all members pursuant to Corporations Code Section 8321, or as a separate document if no annual report is issued, the corporation shall, within 120 days after the end of the corporation's fiscal year, annually prepare and mail, deliver, or send by electronic transmission to each member and furnish to each director a statement of any transaction or indemnification of the following kind, as required under Corporations Code Section 8322:

(1) Any transaction (a) in which the corporation, or its parent or subsidiary, was a party, (b) in which an "interested person" had a direct or indirect material financial interest, and (c) that involved more than \$50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either (i) any director or officer of the corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or (ii) any holder of more than 10 percent of the voting power of the corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the corporation, the nature of their interest in the transaction, and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated. For the avoidance of doubt, the approval and payment of reasonable compensation to directors or employees of the corporation is not a "transaction" within the meaning of this section.

(2) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation, unless that indemnification has already been approved by the members under Corporations Code §7237(e)(2).

ARTICLE VII

BYLAW AMENDMENTS

Section 7.1 Board Authority. Subject to Section 7.2 and applicable law, the bylaws may be adopted, amended or repealed by the board unless the action would:

- (1) Materially and adversely affect the rights of members as to voting, dissolution, redemption, or transfer;
- (2) Increase or decrease the number of members authorized in total or for any class;
- (3) Effect an exchange, reclassification or cancellation of all or part of the memberships;
or
- (4) Authorize a new class of membership.

Section 7.2 When Members' Approval Required. Without the approval of the members, the board may not adopt, amend, or repeal any bylaw that would

- (1) Change the specified minimum or maximum number of directors to serve on the board;
- (2) Increase or extend the terms of directors;
- (3) Allow any director to hold office by designation or selection rather than by election by the members;
- (4) Increase the quorum for members' meetings;
- (5) Repeal, restrict, create, expand, or otherwise change proxy rights; or
- (5) Authorize cumulative voting.

Section 7.3 Amending Supermajority Requirements. If any provision of these bylaws requires the vote of a larger proportion of the board than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

Section 7.4 Members May Adopt, Amend, or Repeal Bylaws. New bylaws may be adopted, or these bylaws may be amended or repealed, by approval of the members, provided, however, that if the corporation has more than one class of voting members, any amendment that would materially and adversely affect the rights of a class as to voting or transfer, in a manner different from how the action affects another class, must be approved by the members of that adversely affected class. Any provision of these bylaws that requires the vote of a larger proportion of the members than otherwise is required by law may not be altered, amended, or repealed except

by the vote of that greater number. No amendment may extend the term of a director beyond that for which the director was elected.

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

ARTICLE VIII

CONFLICT OF INTEREST POLICY

Section 8.1 Conflicts of Interest. Whenever a director or officer has a financial or personal interest in any matter coming before the board of directors, the affected person shall a) fully disclose the nature of the interest and b) withdraw from discussion, lobbying, and voting on the matter. Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of the corporation to do so. The minutes of meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

ARTICLE IX

DISSOLUTION

Section 9.1 Board Election to Dissolve. The board shall have the authority, without member approval, to wind up and dissolve the corporation if one of the following occurs:

- (1) The corporation has been the subject of an order for relief in bankruptcy.
- (2) The corporation has disposed of all of its assets and has not conducted any activity for a period of five (5) years immediately preceding the adoption of the resolution electing to dissolve the corporation.
- (3) The corporation has no members.
- (4) The corporation is required to dissolve under provisions of its articles.

Section 9.2 Election to Dissolve with Member Approval. The corporation may elect voluntarily to wind up and dissolve (1) by approval of a majority of all members in accordance with Corporations Code Section 5033, or (2) by approval of the board and approval of the members in accordance with Corporations Code Section 5034.

Section 9.3 Distribution of Assets. Upon the dissolution or winding up of this organization, its assets remaining after payment, or provision for payment, of all debts and liabilities of this organization shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for business association purposes and which has established its tax-exempt status under Internal Revenue Code section 501(c)(6).

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Cal-SARA, a California nonprofit mutual benefit corporation; and

That the foregoing Bylaws constitute the Bylaws of said corporation, as duly adopted by the Board of Directors of this Corporation dated April 5, 2022.

DocuSigned by:

Zack Leland

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Secretary