

Bylaws

of

Western States Trucking Association



By Revision History:

WSTA Bylaws Adopted February 11, 2012
Article 5.1 Adopted at June 21, 2014 WSTA Board Meeting
Revisions Approved October 18, 2014 at the WSTA Membership Meeting
Revision 09/17/15: Updated CCTA & California Construction Trucking Association
to new company name – WSTA, Western States Trucking Association
Revision
Revision 11/18/23: Article 9.2 changed to adopted 3-year terms for elected officers
per voting in 2023 membership election.

BYLAWS
Of The
Western States Trucking Association
A California Nonprofit Mutual Benefit Corporation

ARTICLE 1: NAME

Section 1.1. Name. The name of this corporation is the Western States Trucking Association, hereinafter referred to as the “Association” for the purposes of these Bylaws.

ARTICLE 2: PURPOSES

Section 2.1. Organization. The Association is a nonprofit mutual benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Mutual Benefit Corporation Law and is organized for the purposes set forth in Internal Revenue Code section 501(c)(6) or the corresponding provision of any future United States internal revenue law.

Section 2.2. Specific Purpose. The specific purpose of the Association is:

- a.) To protect the interests of owners and operators of trucks using the highways of the State of California;
- b.) To conduct public educational campaigns for the purpose of preventing legislation adverse to the interests of the shipping public, and those engaged in the transportation business, and particularly those engaged in the construction trucking business;
- c.) To educate the producer and shipping business in general regarding the many advantages of using independent truck operators;
- d.) To promote general safety and to prove to the public that the truck operators are highly efficient, safe drivers and stewards of the highways; and
- e.) To teach the public that the trucks owned and operated by the members of this association are reliable equipment, manned by competent, safe operators, and that the trucks are capable of carrying the loads that they are designed to carry anywhere, anytime, and on time for reasonable prices.

Section 2.3. Compliance with Internal Revenue Code. The Association shall hold, and may exercise, all such powers as may be conferred upon a nonprofit corporation by the laws of the State of California and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Association. Notwithstanding any other provision in these Bylaws, the Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purpose of the Association, and the Association shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Internal Revenue Code section 501(c)(6) or the corresponding provision of any future United States internal revenue law.

ARTICLE 3: PRINCIPAL OFFICE

Section 3.1. Principal Office. The Association shall maintain its principal office in the City of Upland, County of San Bernardino, State of California. The Board of Directors is granted full power and authority to change said principal office from one location to another.

Section 3.2. Other Offices. The Board of Directors may at any time establish branch offices at any place where the Association is qualified to do business.

ARTICLE 4: MEMBERSHIP

Section 4.1. Regular Membership. The Association shall have one class of voting members referred herein as regular members. Any person, including an individual, business, or organization, that subscribes to the purposes and basic policies of the Association and whose admission will contribute to the Association’s ability to carry out its charitable purposes, shall be eligible for regular membership on approval of the membership application and on timely payment of such dues and fees as the Board may fix from time to time. No person shall hold more than one membership. The application shall be filed by the applicant as an individual, by a partner as a partnership, and if a business or organization, by an officer duly authorized to so act. An application, which, when accepted, shall constitute a contract between such regular member and the Association, whereby the regular member shall agree, if admitted to regular membership, to comply with, support and maintain all rules and regulations of the Association which are not in conflict with the law or with rates or rules and regulations established by any governmental regulatory body. Each regular member that is not a natural person shall designate one individual, filed with the Association, to serve as its Association representative. An individual may not serve as a designee for more than one member.

Section 4.2. Rights of Regular Membership. Regular members shall have the right to vote on the election of directors and Association officers, the disposition of all or substantially all of the Association's assets, any merger and its principal terms and any amendment of those terms, any election to dissolve the Association and such other matters as set forth in these bylaws and under the California Nonprofit Mutual Benefit Corporation Law (the "Law"). In addition, members shall have all rights afforded members under the Law and these bylaws. The Association may benefit, serve, or assist persons who are not members, but may restrict the provision of certain benefits, services, and assistance to members. A corporate member may designate in writing the name or position of the individual entitled to vote or exercise its rights and to receive notices on behalf of the member. The member may amend such designation at any time, and all such designations and amendments thereto shall be filed with the records of the Association.

Section 4.3. Other Persons Associated with the Association. The Association may refer to persons associated with it as "members," even though those persons do not meet the qualifications for membership as set forth in Article 4, Section 4.1 of these bylaws, but no such reference shall constitute anyone a member within the meaning of Section 5056 of the California Corporations Code. The Board of Directors of the Association may grant some or all of the nonvoting rights of members to any person that does not have the right to vote on any of the matters submitted to a vote of the members, but no such person shall be a member within the meaning of Section 5056 of the California Corporations Code.

- a.) Pursuant to this Section 4.3 there shall be a class of nonvoting members referred herein as "affiliate members." Affiliate membership shall be open to all who are indirectly engaged in, or interested in, the trucking industry in the State of California and who qualify under such additional requirements as may be prescribed by the Association.
- b.) Pursuant to this Section 4.3 there shall be a class of nonvoting members referred herein as "retired members," who shall not be eligible for any membership-related discounts, benefits, or services, unless specifically authorized by the Board. Retired membership shall be open to those who were formerly engaged in the trucking industry, as defined and verified by the Association.

Section 4.4. Dues, Fees, and Assessments. Each member as described in Article 4, sections 4.1 and 4.3, shall pay the dues, fees, and assessments in such amounts and at such times as shall be determined by the Board. All dues shall be collected by the Association in advance. No dues or portion thereof shall be refunded to any member upon termination, unless approved by a 2/3's vote of the Board after presenting compelling justification for the refund. Upon recommendation of the Subdivision to which an individual member belongs, the Association may reduce the individual monthly membership dues of any members.

Section 4.5. Good Standing and Nonpayment of Dues. Any regular member who is in arrears on the payment of any installment of fees, periodic dues or assessments more than 60 days after their due date shall not be in good standing and shall not be entitled to vote as a regular member. The Board, or an officer designated by the Board, may suspend or terminate a member under this Section 4.5 for nonpayment of fees, periodic dues or assessments. Any suspension or termination initiated under this Section must comply with the procedures set forth in Article 4, Section 4.8.

Section 4.6. Termination of Membership. A membership shall terminate on occurrence of any of the following events:

- a.) Resignation of the member, on reasonable notice to the Association;
- b.) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;
- c.) Occurrence of any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or
- d.) Termination of the member under Article 4, Section 4.8 of 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 Association, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Association.

Section 4.7. Suspension of Membership. A member may be suspended under Article 4, Section 4.8 of 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 Association's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Association. A person whose membership is suspended shall not be a member during the period of suspension.

Section 4.8. Procedure for Termination or Suspension. If grounds appear to exist for termination or suspension of a member under Article 4 of these bylaws, the procedure set forth below shall be followed:

- a.) The member shall be given fifteen (15) days notice, by any method reasonably calculated to provide actual notice, of the proposed termination or suspension and the reasons therefore. Any notice given by mail shall be sent by first-class, registered, or certified mail to the member's last address as shown on the Association's records.

- b.) The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed termination or suspension. 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 termination or suspension should take place.
- c.) The Board, committee, or person shall decide whether or not the member should be suspended, expelled or sanctioned in some other way. The decision of the Board, committee or person shall be final.
- d.) Any action challenging a termination, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion, suspension, or termination.

Section 4.10. Transfer of Membership. No membership or right arising from membership shall be transferred. All membership rights cease on the member's death or dissolution or termination of membership pursuant to Article 4 of these bylaws.

Section 4.11. Liability for Debts or Obligations. A member of the Association is not, as such, personally liable for the debts, liabilities, or obligations of the Association.

Section 4.12. Place of Meeting. Meetings of the members shall be held at any place within or outside California designated by the Board of Directors. In the absence of any such designation, members' meetings shall be held at the Association's principal office.

Section 4.14. Annual Meeting. An annual meeting of members shall be held on such date and at such time as may be fixed by the Board. There will be no mandatory rule for location of the annual meeting. Any proper business may be transacted at the annual meeting.

Section 4.15. Special Meetings. A special meeting of the members for any lawful purpose may be called at any time by the Board of Directors, the president, or by five percent (5%) or more of the members. A special meeting called by any person, other than the Board, entitled to call a meeting shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the president, or the secretary. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with Section 4.16 of these bylaws, stating that a meeting will be held at a specified time and date fixed by the Board, provided, however, that the meeting date shall be at least thirty-five (35) but no more than ninety (90) days after receipt of the request. If the notice is not given within one hundred twenty (120) days of the receipt of the request, the persons entitled to call the meeting may give notice. Nothing in this Section 4.15 shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held when the meeting is called by the Board. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 4.16. Notice of Meetings.

- a.) Written notice of each annual or special meeting of members shall be given not less than 10 nor more than 90 days before the date of the meeting to each member entitled to notice thereof: provided, however, that if the notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, the notice shall be given not less than 20 days before the meeting. Such notice shall state the place, date and hour of the meeting and (1) in the case of a special meeting, the general nature of business to be transacted, and no other business may be transacted, or (2) in the case of the annual meeting, those matters which the Board, at the time of mailing the notice intends to present for action by the members, but, subject to the provisions of applicable law, any proper matter may be presented at the meeting for action. The notice of any meeting at which officers are to be elected shall include the names of all those who are nominees at the time the notice is sent to members.
- b.) Notice of a members' meeting shall be given either personally or by mail or by other means of written communication and shall be addressed to a member at the address of such member appearing on the books of the Association or given by the member to the Association for the purpose of notice; or, if no such address appears or is given, at where the principal office of the Association is located or by publication at least once in a newspaper of general circulation in the county in which the principal office is located. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for the transmission or is transmitted by the person giving notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the receiver.

Section 4.17. Quorum. Two percent (2%) of the voting power shall constitute a quorum for the transaction of business at any meeting of members provided, however, that if any regular meeting is actually attended in person by less than one-third (1/3) of the voting power, the only matters that may be voted on are those of which notice of their general nature was given pursuant to Article 4, Section 4.16, of these bylaws. Subject to the foregoing, the

members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken, other than adjournment, is approved by at least a majority of the members required to constitute a quorum, or such greater number as required by the Articles of Incorporation, these bylaws, or the Law.

Section 4.18. Adjournment. Any member meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting in person. No meeting may be adjourned for more than forty-five (45) days. When a member meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Association may transact any business that might have been transacted at the original meeting.

Section 4.19. Voting. Members entitled to vote at any meeting of members shall be those members in good standing as of the record date determined under Article 4, Section 4.23 of these bylaws. At a meeting, voting may be by voice or ballot, except that any election of directors must be by ballot if demanded by any member at the meeting before the voting begins. Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members. Cumulative voting is prohibited. If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number or voting by classes is required by the Articles of Incorporation, these bylaws, or the Law.

Section 4.20. Waiver of Notice or Consent by Absent Members. The transactions of any meeting of members, however called or noticed and whenever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present and if, either before or after the meeting, each member entitled to vote that is not present, 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 need not specify either the business to be transacted or the purpose of any meeting of members, except that if action is taken or proposed to be taken for approval of any of those matters specified in the last paragraph of Article 4, Section 4.16 of these bylaws, the waiver of notice, consent, or approval shall state 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 4.21. Action by Unanimous Written Consent. Any member action may be taken without a meeting and without prior notice, if all members consent in writing to the action. The written consents shall be filed with the minutes of the member proceedings. The action by written consent shall have the same force and effect as the unanimous vote of the members.

Section 4.22. Action by Written Ballot Without a Meeting. Any action, including the election of directors, which may be taken at any meeting of members, including a meeting of any Subdivision, may be taken without a meeting and without prior notice by complying with the provisions of this Section 4.22 concerning written ballots. The Association shall distribute one written ballot to each member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by the first paragraph of Article 4, Section 4.16 of these bylaws. All solicitations of votes by written ballot shall (a) indicate the number of responses needed to meet the quorum requirement; (b) with respect to ballots other than for election of directors, state the percentage of approvals necessary to pass the measure or measures; and (c) specify the time by which the ballot must be received in order to be counted.

Each ballot so distributed shall (a) set forth the proposed action; (b) provide the members an opportunity to specify approval or disapproval of each proposal; and (c) provide a reasonable time within which to return the ballot to the Association. In any election of directors, a written ballot that a member marks "withhold", or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a director.

Approval by written ballot shall be valid only when the number of votes cast by ballot, including those ballots marked in a manner indicating that authority to vote is withheld, within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting. A written ballot may not be revoked. A verified record of the results and a copy of the original ballot mailed shall be filed with the secretary of the Association and maintained in the corporate records.

Section 4.23. Record Date. For purposes of determining the members entitled to notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action, the Board may, in advance, fix a record date. A member at the close of business on the record date shall be a member of record. The record date so fixed:

- a.) For notice of a meeting shall not be more than ninety (90) nor less than ten (10) days before the date of the meeting. If not otherwise fixed by the Board, the record date shall be the next business day preceding the day on which notice is given or, if notice is waived, the next business day proceeding the day on which the meeting is held.
- b.) For voting at a meeting shall not be more than sixty (60) days before the date of the meeting. If not otherwise fixed by the Board, the record date shall be the day on which the meeting or adjourned meeting is held.
- c.) For voting by written ballot shall not be more than sixty (60) days before the day on which the first written ballot is mailed or solicited. If not otherwise fixed by the Board, the record date shall be the day on which the first written ballot is mailed or solicited.
- d.) For any other action shall not be more than sixty (60) days before that action. If not otherwise fixed by the Board, the record date shall be the date on which the Board adopts the resolution relating to that action, or the 60th day before the date of that action, whichever is later.

Section 4.24. Proxies. Each member entitled to vote may do so only in person. Voting rights may not be exercised by proxy.

ARTICLE 5: VOTING DISTRICTS

Section 5.1. Voting Districts. Each member of the Association shall belong to a geographical voting district that elects a representative(s) on the Board of Directors. All members shall be placed in the voting district that is nearest the applicant's place of business. A Voting District is not a Subdivision.

Section 5.2. Voting District Establishment. The Board shall establish all geographical Voting Districts based upon a fair and equitable distribution of the membership and shall be the same and coterminous to the geographic boundaries of any Subdivisions established as Chapters. Upon a petition by fifteen or more regular members, the Board may establish a new Voting District or redraw the district boundaries of an existing Voting District.

Section 5.3. Voting District Election and Removal of Directors. Each Voting District shall elect its representative to the Board of Directors on or before December 1st of each odd numbered year through a voting procedure determined by the Board to maximize voter participation. Each voting district shall be entitled to elect one additional director for each twenty-five regular members in the Voting District, or major fraction thereof. Every Director shall be a member in good standing under Section 4.5 upon election and until the expiration of the term for which elected and shall abide by a conflict of interest policy adopted by the Board. Directors may serve any number of consecutive terms. In addition to the provisions of Section 7.5, any Director may be removed, either with or without cause, by a majority vote of the regular members of the Voting District that the Director represents. A vote to remove a Director under this section may be initiated by a Board-approved petition submitted by fifteen or more regular members of the voting district.

ARTICLE 6 SUBDIVISIONS

Section 6.1. Board Direction and Control. All Subdivisions of the Association shall be subject to the ultimate direction and control of the Board of Directors. The Board of Directors may establish and enforce such regulations as it may deem necessary for the conduct of all Subdivisions. The Board may suspend or terminate a Subdivision or remove a Subdivision officer for noncompliance with the Articles, these Bylaws, or other policy or rule enacted by the Board.

Section 6.2. Subdivisions. Each member of the Association may belong to one or more Subdivisions. For the purposes of these bylaws, a Subdivision is an organizational unit of the Association, which may be based upon geographic boundaries, various types of operations within the trucking industry, or other defining characteristics, as approved by the Board, that fulfils the mission of the Association, as set forth in Section 2.2, and provides its members the opportunity for professional development and education. A Subdivision shall not be entitled to a representative(s) on the Board of Directors. Subject to Board approval, a Subdivision may be named a Conference, Alliance, Council, Coalition or other similar names, but in no event shall a Subdivision use the term "Chapter" in its name unless it is exclusively geography-based.

Section 6.3. Subdivision Activities. Subject to rules established by the Board, a Subdivision shall facilitate the professional development and education of its members, including but not limited to, the discussion of issues, exchange of ideas, and establishment of professional and social relationships in order to promote the mission and ideals of the Association. No policy, position, communication or other action shall be adopted or taken that would affect the Association or other Subdivision without the express approval of the Board. Each Subdivision may submit recommendations on any subject to the Board for consideration and action by the Board.

Section 6.4. Subdivision Establishment. Upon a petition by fifteen or more regular members, the Board may establish a new Subdivision. Additionally, upon a petition by fifteen or more regular members of a Subdivision established as a "Chapter," the Board may place all members of the coterminous voting district (i.e. having the same geographical boundaries), or those members located in a geographical portion thereof, into the Chapter. However, because membership in a Subdivision is elective, it is the right of any member to opt out of a Subdivision to which he or she has been assigned.

Section 6.5. Subdivision Officers, Election, Vacancies, and Removal. Subject to Board approval, each Subdivision shall elect a Chair, a Secretary, and a Treasurer, however, in no event may the Chair also concurrently serve as Secretary or Treasurer. Each Subdivision Chair shall be a regular member under Section 4.1 in good standing under Section 4.5 upon election and until the expiration of the term for which elected. The Secretary and Treasurer shall be members in good standing under Section 4.1 or Section 4.3. All Subdivisions shall conduct elections, fill vacancies, and remove Subdivision officers in a manner prescribed by the Board of Directors.

Section 6.6. Subdivision Meetings and Quorum. Each Subdivision shall have a minimum of two (2) in-person meetings for its membership each calendar year. Notice of each meeting shall comply with the notice requirements established in Article 4. Adequate minutes of each meeting shall be duly recorded, signed by the Subdivision Secretary, and promptly delivered to the State Secretary. Voting shall comply with Section 4.19.

One-third (1/3) of the voting power shall constitute a quorum for the transaction of business at any Subdivision meeting of members, with the exception of any Chapter meeting in which ten percent (10%) of the voting power shall constitute a quorum for the transaction of business provided that the only matters that may be voted upon at any Chapter meeting are matters notice of the general nature of which was given, pursuant to the first sentence of Subdivision (a) of California Corporations Code Section 7511. Every act done or decision made by a majority of the members present at a Subdivision meeting duly held at which a quorum is present shall be regarded as the act of the Subdivision, unless a greater number, or the same number after disqualifying one or more directors from voting, is required by the Articles of Incorporation, these bylaws, or the Law. Subdivision members may not vote by proxy.

Section 6.7. Subdivision Funding and Financial Accountability. Subject to Board approval, a Subdivision may elect, by a two-thirds vote at any regular meeting of the Subdivision, to charge additional dues to be used exclusively to accomplish any of the activities of a Subdivision described in Section 6.3. Any membership dues allocated to the Subdivision or other funds collected by a Subdivision shall be collected by the Association office and deposited with the Association to the credit of that Subdivision. Subdivision funds may be drawn upon and expended provided all of the following conditions are satisfied:

- a.) A written request for funds is submitted to the Association office by the Subdivision Chair or Subdivision Treasurer for a specific identified expenditure that accomplishes one or more permissible activities of a Subdivision described in Section 6.3. Each request must be for a specific expenditure; blanket requests shall not be approved (i.e. funds for all future meetings).
- b.) The request is supported by adequate meeting minutes, signed by the Subdivision Secretary, that clearly indicate that the specific request was approved by a majority vote of the regular membership of the Subdivision at a duly noticed and attended meeting.
- c.) The request is supported by appropriate receipts, quotes, and/or other documentation validating the amount requested.
- d.) The Board, Executive Committee, or State Treasurer confirms that the aforementioned conditions are satisfied and approves the request.

No Subdivision shall have any authority to incur any obligations or indebtedness, or enter into any agreements in the name of, or for the account of, the Association unless specifically authorized to do so by the Board.

Section 6.8. Dormant Subdivision Funds and Inactive Subdivisions. Aggregate Subdivision funds in excess of \$5,000 at the end of each fiscal year shall be credited to the Association's general budget to be spent at the direction of the Board, subject to paragraphs (a) and (b).

- a.) Within 90 days after the end of the fiscal year, a Subdivision may submit a reauthorization request to the Board, supported by sufficient rationale and documentation, seeking a reallocation of a specific fund amount back to the Subdivision that was credited to the Association's general budget pursuant to this section.
- b.) Within 90 days prior to the end of the fiscal year, a Subdivision may submit a request to the Board, supported by sufficient rationale and documentation, seeking to retain a specific fund amount that would otherwise be credited to the Association's general budget at the end of the fiscal year pursuant to this section.

Any Subdivision that is inactive shall have its aggregate Subdivision funds credited to the Association's general budget to be spent at the direction of the Board. A Subdivision may be deemed inactive by the Board of Directors for failing to comply with any of the provisions of this Article 6.

Section 6.9. Alternative Subdivision Compliance Option. As an alternative for any Subdivision that is unable or elects not to comply with sections 6.5, 6.6, and 6.7, upon petition by one or more members of any Subdivision, the Board or Executive Committee shall make a reasonable inquiry into the matter and if determined necessary, the Board or Executive Committee may assume all decision-making authority for the Subdivision, including but not limited to, the appointment of officers, financial decision-making, and any other actions, decisions, rules, or policies it deems appropriate.

ARTICLE 7: BOARD OF DIRECTORS

Section 7.1. Powers. Subject to the provisions and limitations of the Law and any other applicable laws, and subject to any limitations in the Articles of Incorporation or bylaws regarding actions that require approval of the members, the business and affairs of the Association shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the day-to-day operation of the business of the Association to a management company, committee (however composed), or other person, provided that the activities and affairs of the Association shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board of Directors.

Section 7.2. Composition. The Board of Directors shall consist of Voting District Representatives as provided in section 5.3, plus the ex-officio directors. The Board of Directors shall fix the exact number of directors from time to time, within these limits.

Section 7.3. Election and Term of Office of Directors. Directors shall be elected by the Voting Districts in each odd numbered year as provided in Section 5.3 of these Bylaws. Each elected director shall take office upon election and shall hold office until a successor has been elected and qualified. Directors may serve any number of consecutive terms.

Section 7.4. Ex-officio Directors. The principal officers of the Association (the President, the Northern Vice-President, the Southern Vice-President, the 2nd. Northern Vice-President, the 2nd Southern Vice-President, the Secretary, and the Treasurer) shall serve as ex-officio directors of the Association. In addition, the Past Presidents of the Association shall serve as ex-officio directors of the Association as long as they retain a paid-up regular (or retired) membership in the Association. Ex-officio directors shall have full voting rights and shall be counted in establishing a quorum.

Section 7.5. Vacancies.

- a. A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation or removal of any director, or if the authorized number of directors be increased, or if the regular members fail to elect the full authorized number of directors to be voted for at that meeting.
- b. Any director may resign effective upon giving written notice to the President, the Secretary or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected before such time to take office when the resignation becomes effective.
- c. Vacancies in the Board shall be filled in the manner prescribed in Section 5.3 for regular election, provided that such vacancies shall be filled as they occur and not on an annual basis. Each director so elected shall hold office until the expiration of the term of the replaced director and until such replacement director's successor has been elected and qualified.
- d. The Board may declare vacant the office of a director who has declared of unsound mind by a final order of court, convicted of a felony, or been found by a final order judgment of any court to have breached any duty arising under Section 7238 of the Law. In addition, the Board may declare vacant the office of a director who fails to attend two consecutive Board meetings without being excused by the Board, or is not a member in good standing under Section 4.5.
- e. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.

Section 7.6. Place of Meetings. Regular or special meetings of the Board shall be held at any place within or without the State of California which has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Association.

Section 7.7. Annual Meetings. The Board shall hold an annual meeting for the purpose of organization, and the transaction of its business. Annual meetings of the Board may be held on such dates and at such times as may be fixed by the Board.

Section 7.8. Regular Meetings. Regular meetings of the Board may be held on such dates and at such times as may be fixed by the Board. Such regular meetings may be held without notice.

Section 7.9. Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by the President, or any six directors.

Section 7.10. Notice. Annual and special meetings of the Board shall be held upon at least four (4) days' notice by first-class mail or forty-eight (48) hours notice given personally or by telephone, fax, or other similar means of communication.

Any such notice shall be addressed or delivered to each director at such director's address as it is shown upon the records of the Association or as may have been given to the Association by the director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving notice has reason to believe will promptly communicate it to the receiver.

Section 7.11. Quorum and Action at a Meeting. Presence of a majority of the directors then in office or twenty percent (20%) of the authorized number of directors, whichever is greater, at a meeting of the Board of Directors constitutes a quorum for the transaction of business, except as otherwise provided in these Bylaws. Every act done or decision made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, unless a greater number, or the same number after disqualifying one or more directors from voting, is required by the Articles of Incorporation, these bylaws, or the Law. Directors may not vote by proxy. A meeting at which a quorum is initially present, including an adjourned meeting, may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a disinterested majority of the required quorum for such meeting, or such greater number as required by the Articles of Incorporation, these bylaws or the Law.

Section 7.12. Adjourned Meeting and Notice. A majority of the directors present, whether or not a quorum is present, may adjourn any directors meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, reasonable notice of any adjournment to another time or place shall be given prior to the time the adjourned meeting is reconvened to the directors who were not present at the time of the adjournment.

Section 7.13. Action Without a Meeting. The Board of Directors may take any required or permitted action without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of such directors. For purposes of this section only, "all members of the Board" does not include any "interested directors" as defined in Section 5233 of the Law.

Section 7.14. Participation in Meetings by Conference Telephone. Members of the Board may participate in a meeting of the Board, a committee meeting, through use of a conference telephone or similar communication equipment, so long as all members participating in such meeting can hear one another.

Section 7.15. Rights of Inspection. Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and to inspect the physical properties of the Association.

Section 7.16. Fees and Compensation. Directors and member of committees shall receive no stated salary, but may receive such reimbursement for expenses, as may be fixed or determined by the Board. However, members of the Executive Committee may be reasonably compensated in such amount as may be fixed by the Board for meetings immediately prior to the regularly scheduled Board meetings and for any other weekday meetings during the year that are determined by the President to be necessary to perform the duties of this Committee.

ARTICLE 8: COMMITTEES

Section 8.1. Committees of Directors. The Board of Directors may, by resolution adopted by a majority of the directors then in office, provided that a quorum is present, designate one or more committees to exercise all or a portion of the authority of the Board, to the extent of the powers specifically delegated in the resolution of the Board or in these bylaws. Each such committee shall consist of two (2) or more directors, and may also include Association members in good standing under Section 4.5 who are not on the Board, to serve at the pleasure of the Board. The Board may designate one or more alternate members of any committee, who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the directors then in office, provided that a quorum is present. The Board of Directors may also designate one or more advisory committees that do not have the authority of the Board. However, no committee, regardless of Board resolution, may:

- a.) Approve any action that, under the Law or the Articles of Incorporation or these bylaws, also requires approval of the members or approval of a majority of all members;

- b.) Fill vacancies on, or remove members of, the Board of Directors or in any committee that has the authority of the Board;
- c.) Fix compensation of the directors for serving on the Board or on any committee;
- d.) Amend or repeal the Articles of Incorporation or bylaws or adopt new bylaws;
- e.) Amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable;
- f.) Appoint any other committees of the Board of Directors or their members;
- g.) Approve a plan of merger; consolidation; voluntary dissolution; bankruptcy or reorganization; or for the sale, lease, or exchange of all or substantially all of the property and assets of the Association otherwise than in the usual and regular course of its business; or revoke any such plan;
- h.) Approve any self-dealing transaction, except as provided by Section 5233 of the Law; or
- i.) Expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected. No committee shall bind the Association in a contract or agreement or expend corporate funds, unless authorized to do so by the Board of Directors.

Section 8.2. Meetings and Actions of Committees. Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Article 7 of these bylaws, concerning meetings and actions of directors. However, presence of a majority of the members appointed or elected to any committee constitutes a quorum for the transaction of business. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may adopt rules not inconsistent with the provisions of these bylaws for the government of any committee.

Section 8.3. Executive Committee. The Association shall have an executive committee which, except when the Board is in session, and except as its powers may be otherwise limited by the Board, shall have and may exercise the powers of the Board in the management of business and affairs of the Association, and may authorize the seal of the Association to be affixed to all papers which may require it. The executive committee shall also have the power of general supervision, management, and control of the business of the Association and over its several employees.

The executive committee shall be composed of the President, the Northern Vice-President, the Southern Vice-President, the 2nd Northern Vice-President, the 2nd Southern Vice-President, the Secretary, and the Treasurer and the immediate past President of the Association. A majority of all the members of the executive committee may determine its rules of procedure. The President shall conduct all meetings of the executive committee or, in his/her absence, a Vice-President.

Any action which under the provisions of the Law may be taken at a meeting of executive committee, may be taken without a meeting if authorized by a writing signed by all members of the executive committee who would be entitled to vote at a meeting for such purpose and filed with the Secretary of the Association.

Section 8.4. Grievance Committee. The Board shall appoint from time to time, committees to be known as the grievance committees. Any grievance committee shall not be a standing committee and shall be dissolved after making a written report of the matter brought before it, which report shall be addressed to the Board and delivered to the Secretary within 48 hours (not to include Saturdays, Sundays, or Holidays) after the conclusion of any hearing and reaching of or the failure to reach a decision. No direct competitor of any member against whom a complaint has been filed shall be eligible to be a member of the grievance committee acting upon such a complaint. The purpose of the grievance committee shall be to hear and act upon any complaint filed in writing with the Secretary, President, or Manager against any member of the Association. The findings of the grievance committee shall be subject to the approval of the Board of Directors before action thereon shall be taken by the Association and the Grievance committee shall have the right to recommend that suspension be ordered or termination be ordered if the complaint be found true. Final action on all grievances shall rest with the Board.

ARTICLE 9: OFFICERS

Section 9.1. Officers. The officers of the Association shall consist of a President, a Northern Vice-President, a Southern Vice-President, a 2nd Northern Vice-President, a 2nd Southern Vice-President, a Secretary, and a Treasurer, and such other officers as the Board may designate by resolution. Every Officer shall be a member in good standing under Section 4.5 upon election and until the expiration of the term for which elected and shall abide by a conflict of interest policy adopted by the Board.

Section 9.2. Election and Term of Office. The officers of the Association, except such officers as may be elected or appointed in accordance with the provisions of Section 9.4, shall be elected by the Association's regular membership for three-year terms. The nominating committee shall make their nominations at the Board Meeting prior to the Annual Board Meeting of the calendar year. At the time, floor nominations will also be accepted. No person shall be nominated for more than one office. Ballots will be sent by mail on the first day and postmarked by the last day of the month immediately prior to the Annual meeting. Ballots shall be delivered, unopened, to a designated accounting firm for tally. The results shall be announced at the Annual meeting and installation of the newly elected officers shall be prior to the closing of the meeting. The office of president shall generally alternate

between persons domiciled in the Northern region and persons domiciled in the Southern region. However, if at the close of the nominating period, there is no nominee for president from the appropriate region; nominees domiciled in either region are eligible for nomination. For purposes of alternating the regions from which nominations for president will be accepted, reference shall always be made to the domicile of the current incumbent president.

Section 9.3. Removal and Resignation. Any officer may be removed, either with or without cause, with the approval of the regular members. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment.

Any officer may resign at any time by giving written notice to the Association, but without prejudice to the rights, if any, of the Association under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9.4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis. Any vacancy in any officer position may, in the discretion of the Board, be held vacant until the next regular election, or may be filled by appointment. Appointments, if any, shall be made by a majority vote of the Executive Committee. Any person appointed to an officer position shall serve only through the remaining balance of the term until the next regular election.

Section 9.5. President. The President is chief executive officer of the Association and has subject to the control of the Board, general supervision, direction, and control of the business and activities of the Association. The President shall preside at all meetings of the members and at all meetings of the Board. The President has the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be from time to time assigned by the Board.

Section 9.6. Vice Presidents. The Association shall have two (2) Northern and two (2) Southern Vice Presidents who shall represent, respectively, the Northern and Southern Territories. The Northern portion of the state is defined as the portions of California north of the county boundaries of Kern, San Luis Obispo and San Bernardino counties. The Vice Presidents shall have such powers and perform duties as from time to time may be prescribed for them respectively by the Board.

Section 9.7. Secretary. The secretary, or his or her designee, shall be custodian of all records and documents of the Association which are to be kept at the principal office of the Association, shall act as secretary of all the meetings of the Board of Directors and the members, and shall keep the minutes of all such meetings in books proposed for that purpose. He or she shall attend to the giving and serving of all notices of the Association.

Section 9.8. Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Association, and shall send, or cause to be sent to the regular members of the Association such financial statements and reports as are by law or by these bylaws required to be sent to them. The books of account shall at all times be open to inspection by any director. The Treasurer shall reconcile the books of the Association on a biennial basis, which shall occur in the second year of the officers' two-year term.

The Treasurer shall deposit, or cause to be deposited, all moneys and other valuables in the name and to the credit of the Association with such depositaries as may be designated by the Board. The Treasurer shall disburse the funds of the Association as may be ordered by the Board, shall render to the Board financial statements. In addition, the Treasurer shall have such powers and perform such other duties as may be prescribed by the Board. Any individual disbursement of funds of the Association which exceeds \$10,000.00 shall require two signatories. The persons authorized to sign disbursements of the Association's funds from its accounts shall be designated by the Treasurer under the direction of the Board.

The Treasurer shall prepare or cause to be prepared an annual report not later than 120 days after the close of the Association's fiscal year and provide a copy of the report to all directors and such members who may request a copy of that financial report pursuant to Section 6.06 of these bylaws. The annual report shall contain in appropriate detail the following: 1) A balance sheet as of the end of such fiscal year, an income and expense statement for the fiscal year, and a statement of changes in financial position for the fiscal year; 2) A statement of the place where the names and addresses of the current members are located; and 3) Any information required by Section 8322 of the California Corporations Code.

In addition, the Treasurer shall perform periodic reviews during the fiscal year of the books, records and accounts of the Association at such time as the Treasurer deems appropriate or as the Treasurer may be directed by the Board.

The books, records and accounts of this Association shall be annually reviewed by independent accountants selected by the Board and may be more frequently reviewed by such independent accountants at such other times

as the Board or the President may direct. The expense of such reviews shall be borne by the Association. The type of review of financial records by independent accountants, whether by compilation or systematic inspection involving analysis, tests and confirmations, shall be determined on an annual basis by the Board.

The Treasurer (or the Board, Executive Committee, or President in the Treasurer's absence) may delegate his or her duties to one or more employees of the Association whom the Treasurer believes to be reliable and competent in the matters presented, provided that any activities performed are exercised under the direction of the Treasurer.

Section 9.6. Executive Director. Subject to the control, advice and consent of the Board of Directors, the executive director shall, in general, supervise and conduct the activities and operations of the Association, shall keep the Board of Directors and Executive Committee fully informed and shall freely consult with them concerning the activities of the Association, and shall see that all orders and resolutions of the Board and Executive Committee are carried into effect. Where appropriate, the Board of Directors shall place the executive director under a contract of employment. The executive director shall be empowered to act, speak for, or otherwise represent the Association between meetings of the Board. The executive director shall be responsible for the hiring and firing of all personnel, and shall be responsible for keeping the Board and Executive Committee informed at all times of staff performance and for implementing any personnel policies adopted by the Board. The executive director is authorized to contract, receive, deposit, disburse, and account for funds of the Association; to execute in the name of the Association all contracts and other documents authorized either generally or specifically by the Board to be executed by the Association; and to negotiate all material business transactions of the Association.

ARTICLE 10: RECORDS AND REPORTS

Section 10.1. Maintenance and Inspection of Articles and Bylaws. The Association shall keep at its principal office the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the members and directors at all reasonable times during office hours.

Section 10.2. Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns. The Association shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

Section 10.3. Maintenance and Inspection of Other Corporate Records. The Association shall keep adequate and correct books and records of accounts; written minutes of the proceedings of its members, Board, and committees of the Board; and a record of each member's name and address. All such records shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal office of the Association. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the Association shall turn over to his or her successor or the president, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the Association as have been in the custody of such officer, employee, or agent during his or her term of office.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Association and each of its subsidiary corporations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents. On written demand of the Association, any member may inspect, copy, and make extracts of the accounting books and records and the minutes of proceedings of the members, the Board, and committees of the Board at any reasonable time for a purpose reasonably related to the member's interest as a member.

Subject to the provisions of Sections 6330-6332 of the Law and unless the Association provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

- a.) Inspect and copy the records of members' names, addresses, and voting rights during usual business hours on five (5) days' prior written demand on the Association, which demand must state the purpose for which the inspection rights are requested; or
- b.) Obtain from the secretary of the Association, on written demand and tender of a reasonable charge, an alphabetized list of names, addresses, and voting rights of members who are entitled to vote for the election of directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the member. The demand shall state the purpose for which the list is requested. The secretary shall make this list available to the member on or before the later of ten days after (i) the demand is received or (ii) the date specified in the demand as the date as of which the list is to be compiled.

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

If the Association reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this Section, it may deny the member access to the membership list. Any inspection and copying under this Section may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts. Any right of inspection extends to the records of any subsidiary of the Association.

Section 10.4. Preparation of Annual Financial Statements. The Association shall prepare annual financial statements using generally accepted accounting principles. Such statements shall be audited by an independent certified public accountant, in conformity with generally accepted accounting standards, under supervision of the Audit Committee established by these bylaws. The Association shall make these financial statements available to the California Attorney General and members of the public for inspection no later than nine (9) months after the close of the fiscal year to which the statements relate.

Section 10.5. Reports. The Association shall notify each regular member yearly of the member's right to receive a financial report pursuant to Section 8321(a) of the Law. Upon the written request of a regular member of the Board shall promptly cause the most recent annual report to be sent to the requesting member. The annual report shall be prepared not later than one hundred and twenty (120) days after the close of the Association's fiscal year. The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such accountant's report, the certificate of any authorized officer of the Association that such statements were prepared without audit from the books records of the Association. The annual report shall contain in appropriate detail the following:

- a.) A balance sheet as of the end of such fiscal year and an income statement and statement of charges in financial position for such fiscal year;
- b.) A statement of the place where the names and addresses of the current members are located; and
- c.) Any information required by Section 8322.

The report shall be accompanied by any pertinent report of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Association that such statements were prepared without audit from the books and records of the Association. The Association shall furnish any member who so requests a copy of any report filed by the Association with the California Attorney General. The Association may impose reasonable charges for copying and mailing this report to a member.

Section 10.6. Annual Statement of Certain Transaction and Indemnifications.

- a.) The Association must furnish annually to its regular members a statement of any covered transaction or indemnification of a kind described below, if any such covered transaction or indemnification took place. If the Association issues an annual report to all regular members, the statement required by this Section 10.6 shall be affixed to and sent with the annual report described in Section 10.5. A covered transaction under this Section 10.6 is a transaction in which the Association was a party, and in which either of the following interested persons had a direct or indirect material financial interest (excluding a mere common directorship or a transaction approved by the regular members under Section 7233(a) of the Law):
 - 1.) Any director or officer of the Association.
 - 2.) Any holder of more than ten percent of the voting power of the Association, its parent, or its subsidiary.
- b.) The statement required by subsection (a) of this Section 10.6 shall describe briefly:
 - 1.) Any covered transaction (excluding compensation of officers and directors) during the previous fiscal year involving more than fifty thousand dollars (\$50,000), or which was one of a number of covered transactions in which the same interested person had a direct or indirect material financial interest, and which transactions in the aggregate involved more than fifty thousand dollars (\$50,000).
 - 2.) The names of the interested persons involved in such transactions, stating such person's relationship to the Association, the nature of such person's interest in the transaction and, where practicable, the amount of such interest; provided, that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.
 - 3.) The amount and circumstances of any indemnifications or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year to any officer or director of the Association pursuant to Article 15 of these Bylaws; provided, that no such report need be made in case of indemnification approved by regular members.

ARTICLE 11: FISCAL YEAR

Section 11.1. The Fiscal Year of the Association shall end on June 30th of each year.

ARTICLE 12: AMENDMENTS AND REVISIONS

Section 12.1.

- a.) These Bylaws may be adopted, amended or repealed by the board unless the action would:
 - 1.) Materially and adversely affect the rights of regular members as to voting, dissolution, redemption, or transfer of memberships;
 - 2.) Increase or decrease the number of regular memberships authorized in total or for any class;

- 3.) Effect an exchange, reclassification or cancellation of all or part of the regular memberships;
 - 4.) Authorize a new class of membership; or
 - 5.) Specify or change a fixed number of directors or the maximum or minimum number of directors or change from a fixed to a variable number of directors or vice versa.
- b.) Furthermore, without the approval of the members, the Board may not adopt, amend, or repeal any bylaws that would:
- 1.) Increase or extend the terms of directors;
 - 2.) Increase the quorum for members' meetings;
 - 3.) Repeal, restrict, create, expand, or otherwise change members' proxy rights;
 - 4.) Authorize cumulative voting;
 - 5.) Increase the number of directors appointed by the Board rather than elected by the members; or
 - 6.) Authorize the Board to fill a vacancy created by the removal of a director by the members. New bylaws may be adopted, or these bylaws may be amended or repealed, by approval of the members. 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.

ARTICLE 13: CONSTRUCTION AND DEFINITIONS

Section 13.1. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Corporation Law as amended from time to time shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person. If any competent court of law shall deem any portion of these bylaws invalid or inoperative, then so far as is reasonable and possible (i) the remainder of these bylaws shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

ARTICLE 14: DEDICATION OF ASSETS

Article 14.1. The properties and assets of the Association are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of the Association, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, director or officer of the Association. On liquidation or dissolution, all remaining properties and assets of the Association shall be distributed and paid over to an organization dedicated to charitable purposes which has established its tax-exempt status under the Internal Revenue Code.

ARTICLE 15: DISSOLUTION

Section 15.1. The Association may be dissolved by the vote of the majority of all regular members. In the event of dissolution any funds remaining after payment of the Association's debts shall be distributed to the then current members of the Association. Upon dissolution, the property interests of each regular member shall be unequal, the general rule applicable to all regular members by which such rights shall be determined being: the interest of each then current regular member in any funds of the Association upon dissolution shall be in the ratio that his average dues paid during the three year period preceding dissolution bears to the average total dues paid by all other than current regular members of the Association during such three year period.

CERTIFICATE OF SECRETARY

I hereby certify that the foregoing bylaws were validly adopted at a meeting of the regular members held on February 11, 2012, and are the current Bylaws of the Western States Trucking Association.

Date: 10/18/14

Secretary: *Approved by the WSTA Board*