

BYLAWS OF THE ORANGE COUNTY BAIL AGENT ASSOCIATION, INC.
A California Nonprofit Mutual Benefit Corporation
Incorporated November 10, 2008
Amended May 11, 2010

ARTICLE I NAME OF CORPORATION	1
ARTICLE II OFFICES OF THE ASSOCIATION	1
ARTICLE III PURPOSES OF THE ASSOCIATION	1
Section 1. <u>General Purpose</u>	1
Section 2. <u>Specific Purpose</u>	1
Section 3. <u>Limitations</u>	1
ARTICLE IV MEMBERS/ASSOCIATES	2
Section 1. <u>Eligibility for Membership</u>	2
Section 2. <u>Classification and Designation of Membership</u>	2
(a) <u>Classification</u>	2
(b) <u>Agency Member</u>	2
(c) <u>Surety Member</u>	2
(d) <u>Associate Member</u>	2
(e) <u>Other Membership Classes</u>	3
Section 3. <u>Dues, Fees and Assessments</u>	3
Section 4. <u>Application for Membership</u>	3
Section 5. <u>Membership Rights, Duties and Code of Ethics</u>	3
(a) <u>Compliance</u>	3
(b) <u>Vested Rights</u>	3
(c) <u>Endorsements</u>	3
(d) <u>Code of Ethics</u>	3
Section 6 <u>Termination, Resignation, Expulsion and Suspension of Membership</u>	3
(a) <u>Resignation</u>	3
(b) <u>Delinquency</u>	3
(c) <u>Disciplinary Procedures</u>	4
(d) <u>Suspension</u>	4
(e) <u>Non- Transferability</u>	4
Section 7 <u>Meetings of Members</u>	4

(a) <u>Place of Meeting</u>	4
(b) <u>General Meeting</u>	4
(c) <u>Annual Meeting</u>	4
(d) <u>Special Meeting</u>	4
(e) <u>Notice Requirements for Meetings</u>	5
(f) <u>Quorum</u>	6
(g) <u>Adjournment and Notice of Adjourned Meeting</u>	6
(h) <u>Voting</u>	6
(i) <u>Action by Written Ballot Without a Meeting</u>	7
(j) <u>Record Date for Notice, Voting, Written Ballots, and Other Actions</u>	7
(k) <u>Proxies</u>	8
ARTICLE V DIRECTORS	9
Section 1. <u>General Corporate Powers</u>	9
Section 2. <u>Number of Directors</u>	9
Section 3. <u>Nomination of Directors</u>	9
(a) <u>Nominations by Executive Board</u>	9
(b) <u>Nominations by Members</u>	9
(c) <u>Nominations From the Floor</u>	9
Section 4. <u>Election, Designation and Term of Office</u>	9
(a) <u>Elected Directors</u>	9
(b) <u>Honorary Directors</u>	9
Section 5. <u>Vacancies on the Board</u>	9
(a) <u>Events Causing Vacancy</u>	9
(b) <u>Resignations</u>	10
(c) <u>Filling Vacancies</u>	10
Section 6. <u>Directors' Meetings</u>	10
(a) <u>Place of Meetings</u>	10
(b) <u>Meetings by Telephone</u>	10
(c) <u>Regular Meetings</u>	10
(d) <u>Special Meetings</u>	10
Section 7 <u>Quorum</u>	11
Section 8. <u>Waiver of Notice</u>	11
Section 9. <u>Committees</u>	11

(a) <u>Executive Board</u>	11
(b) <u>Other Committees</u>	11
(c) <u>Task Forces</u>	12
ARTICLE VI OFFICERS	13
Section 1. <u>Officers of the Association</u>	13
Section 2. <u>Election of Officers</u>	13
Section 3. <u>Removal of Officers</u>	13
Section 4. <u>Resignation of Officers</u>	13
Section 5. <u>Vacancies in Office</u>	13
Section 6. <u>Responsibilities of Officers</u>	13
(a) <u>President</u>	13
(b) <u>Vice President</u>	13
(c) <u>Secretary</u>	14
(d) <u>Treasurer</u>	14
ARTICLE VII INDEMNIFICATION	14
Section 7.01. <u>Agents, Proceedings, and Expenses</u>	14
Section 7.02. <u>Actions Other Than By the Corporation</u>	15
Section 7.03. <u>Actions By the Corporation</u>	15
Section 7.04. <u>Successful Defense By Agent</u>	15
Section 7.05. <u>Required Approval</u>	16
Section 7.06. <u>Advance of Expenses</u>	16
Section 7.07. <u>Other Contractual Rights</u>	16
Section 7.08. <u>Limitations</u>	16
Section 7.09. <u>Specific Indemnification of Directors</u>	16
Section 7.10. <u>Insurance</u>	17
Section 7.11. <u>Fiduciaries of Corporate Employee Benefit Plan</u>	17
ARTICLE VIII RECORDS AND REPORTS	17
Section 8.01. <u>Maintenance of Records</u>	17
Section 8.02. <u>Members' Inspection Rights</u>	17
(a) <u>Exceptions to Inspection Rights</u>	17
(b) <u>Accounting Records and Minutes</u>	18
Section 8.03. <u>Maintenance and Inspection of Articles and Bylaws.</u>	18
Section 8.04. <u>Inspection by Directors</u>	18

Section 8.05 <u>Annual Report</u>	18
Section 8.06 <u>Annual Statements of Certain Transactions and Indemnifications.</u>	19
ARTICLE IX APPEALS; POLICY OF THE BOARD	19
ARTICLE X AMENDMENTS	19
ARTICLE XI EFFECTIVE DATE OF BYLAWS	20
ARTICLE XII DISSOLUTION	20

ARTICLE I NAME OF CORPORATION

The name of this corporation is "ORANGE COUNTY BAIL AGENTS ASSOCIATION, INC." (hereinafter the "Association").

ARTICLE II OFFICES OF THE ASSOCIATION

The principal office of the Association shall be located within Orange County, California ("Orange County"). At the time of adoption of these bylaws, the Association's principal office is located at Huntington Beach, CA.

ARTICLE III PURPOSES OF THE ASSOCIATION

Section 1. General Purpose. This Association is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law of the State of California. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

Section 2. Specific Purpose. The specific purpose of this Association is to operate a trade association. Within the context of the General Purpose stated above, this Association shall:

- (a) Promote, advance, preserve and protect the business interests of Bail Agencies headquartered in Orange County, California and are members of the Association;
- (b) Preserve and promote the mutual benefit of its members through (1) education of its members, (2) monitoring of legislation and government regulation that impacts the profession, and (3) representation of its members in cities, county, regional, state and national legislation and political affairs; and
- (c) Promote, preserve and protect the constitutional guarantee of reasonable bail pending trial, a function that imposes obligations beyond those of ordinary private enterprise.

Section 3. Limitations. Orange County Bail Agents Association Bylaws November 10, 2008

- (a) No part of the net earnings of the Association shall inure to the benefit of any private member or individual, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes.
- (b) Notwithstanding any other provisions of these Bylaws, the Association shall not, except to an insubstantial degree, carry on activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501 (c)(6) of the Internal Revenue Code of 1986 and exempt from California taxes under Section 2370.e of the California Revenue and Taxation Code (or the corresponding provisions of any other future United States Internal Revenue Law or California Revenue and Taxation Law).

ARTICLE IV MEMBERS/ASSOCIATES

Section 1. Eligibility for Membership. Any individual that is in agreement with the purposes of the Association shall be eligible for membership on approval of a membership application by a majority of the Board of Directors of the Association (hereinafter the "Board") or its designee and shall be contingent on the payment of the then current investment for membership in that category as the Board may fix from time to time.

Section 2. Classification and Designation of Membership.

- (a) Classification. The Association shall have three (3) classifications of membership: Agency Member, Surety Member and Associate Member.
- (b) Agency Member. Agency members are individual agency owners who are licensed by the authorized governmental agencies within the State of California to execute undertakings of bail bonds for the public sector and pay 100% of annual dues. Agency members retain full voting privileges on all matters presented to the general membership of the Association. All owners are entitled to attend functions and meetings of the Association, but only one owner may serve as a Director or Officer. In addition, the following are requirements to become an Agency Member:
 - (1) The Agency Member must be a natural person and the owner or corporate officer of an incorporated bail agency, as evidenced by their name being listed as the liability bearing agent on their contract with a surety insurance company or general agent.
 - (2) Agency Members cannot have a contract as a General Agent (wholesaler of bail bonds) and obtain membership as an Agency Member.
 - (3) Agency Members will have one vote per agency.
 - (4) Agency Members must be headquartered within the boundaries of Orange County, California as evidenced by:
 - i. Address listed on license with the California Department of Insurance, Franchise Tax Board and/or the Internal Revenue Service.
 - ii. Address is listed with their surety company or general agency as their headquarters location.
 - iii. Location listed on undertakings of bail submitted to courts as the location to mail forfeiture notices in compliance with California Penal Code Section 1305.
 - iv. Address listed on their California Employment Development Department "Industry Verification Form, BLS 3023 NVS."
- (c) Surety Member: Surety members
 - (1) The Surety Member must be Insurance Company or a General Agent currently engaged in overseeing undertakings of bail within the State of California.
 - (2) Surety Members do not have voting privileges, but may attend all meetings and receive regular correspondence.
 - (3) Surety Members may appoint up to three (3) representative employees of the Surety, to participate in functions and meetings of the Association.
- (d) Associate Member. Associate members are individuals who are not eligible for membership pursuant to Section 2(b) of Article IV but desire to contribute resources to the Bail Bonding Profession in Orange County County. Associate

members do not have voting privileges, but may attend all meetings and receive regular correspondence.

- (d) Other Membership Classes. By a two-thirds majority vote, the Board of Directors may designate additional categories of membership to those contained herein as well as the qualifications, rights and restrictions applicable to such members.

Section 3. Dues, Fees and Assessments. Each member must pay, within the time and on the conditions set by the Board, the investment of dues, fees and assessments in amounts to be fixed from time to time by the Board.

Section 4. Application for Membership. Applications for membership shall be in writing and accompanied by good funds consistent with Board policy concerning payment. Membership applications shall be voted upon at any meeting of the Board at which a quorum is present. A majority favorable vote of Board members present shall constitute acceptance of the membership application.

Section 5. Membership Rights, Duties and Code of Ethics.

- (a) Compliance. Each member is obligated to comply with these bylaws and to meet all financial obligations to the Association in the time and manner specified. Each member is expected to cooperate fully with appropriate officials of the Association with respect to Association matters including official inquiries and requests concerning compliance with the terms of these bylaws of the Association.
- (b) Vested Rights. No members of the Association shall have any vested rights in the assets of the Association.
- (c) Endorsements. No member of the Association has the right to use the seal, logo or name of the Association to endorse, condemn or express an evaluation of any product or service of any firm or individual.
- (d) Code of Ethics. The Association's members, through their elected representatives, may adopt a Code of Ethics to set standards of conduct for the membership. This Code of Ethics shall be binding on all members and may provide grounds for expulsion from membership in this Association. Copies of a proposed Code of Ethics or changes therein must be mailed to the members at least thirty (30) days prior to a meeting of the general membership when such items will be considered.

Section 6. Termination, Resignation, Expulsion and Suspension of Membership.

- (a) Resignation. Any member may resign at any time. All resignations of members shall be in writing and shall be effective upon delivery of the notice of resignation to the Board. Resignation shall not relieve the resigning member of liability for payment of dues owed the Association. Resignation does not give the resigning member any right to share in the assets of the Association, nor does it give any right to rebate of any dues paid for the unexpired portion of the current membership.
- (b) Delinquency. Any member whose membership investment remains unpaid for sixty (60) days after the regularly scheduled payment date shall be declared delinquent. Upon such delinquency, the member shall be sent a notice of delinquency. The member shall have sixty (60) days from mailing of the notice to pay the delinquent dues in full. If payment in full is not received within sixty (60) days, the Board may cause the member to be dropped from the membership roster and the member's

- membership shall be terminated. Delinquent dues time periods may be changed from time to time by the Board.
- (c) Disciplinary Procedures. If grounds appear to exist for disciplinary action, members should consult the OCBA A Disciplinary Procedures to determine what steps to take. Reason to consult the Disciplinary Procedure could include a member has failed in a material and serious degree to maintain proper business standards, has acted in a manner as to bring the Association into disrepute, has acted in a manner either prejudicial to the aims of the Association or unbecoming to a member of the Association, has violated these bylaws, has violated the Code of Ethics, has failed to pay dues, or has listed his, her or its name in connection with the name of the Association and/or any of its committees pertaining to or inside of the printed arguments of an initiative, proposition, referendum or ballot measure without the authorization of the Executive Board and/or the Board.
 - (d) Suspension. Pending a decision as outlined in the OCBA A Disciplinary Procedures on expulsion of a member from the Association, the Executive Board may, after providing the affected member with at least two days written notice and an opportunity to be heard, temporarily suspend the membership until the question of disciplinary outcome is finally determined.
 - (e) Non- Transferability. No membership or right arising from membership shall be transferred from a member to any other member, person or entity.

Section 7 Meetings of Members.

- (a) Place of Meeting. Meetings of the members shall be held at any place designated by the Board.
- (b) General Meeting. Meetings of the members shall be held quarterly, as designated by the Board.
- (c) Annual Meeting. An annual members' meeting shall be held in the Second Quarter of each year, unless the Board fixes another date or time and so notifies members as provided in Section 7(e)(4) of Article IV of these bylaws. At this meeting, any proper Association business may be transacted subject to Sections 7(e) (3) and 7(f) (1) of Article IV of these bylaws. At the Annual meeting, the members shall elect the Board of Directors for the Association.
- (d) Special Meeting.
 - (1) Persons Authorized to Call. A special meeting of the members for any lawful purpose may be called at any time by a two-thirds vote of the Board, or at least twenty percent (20%) of voting members.
 - (2) Calling Meetings. 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 Secretary of the Association ("Secretary"). The Secretary shall cause notice to be given promptly to the members entitled to vote in accordance with Sections 7(e)(1) through 7(e)(4) of Article IV of these bylaws, stating that a meeting will be held at a specified time and date fixed by the President and/or Executive Board; provided, however, that the meeting date shall be at least thirty (30) but no more than forty-five (45) days after the Secretary has received the request. If the notice is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give

the notice. Nothing in this Section 7(d)(2) of Article IV of these bylaws shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held.

- (3) Proper Business of Special Meeting. 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.
- (e) Notice Requirements for Meetings.
- (1) General Notice Requirements. Whenever members are required or permitted to take any action at a meeting, written notice of the meeting shall be given in accordance with Section 7(e)(4) of Article IV of these bylaws to each member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting and (A) for a special meeting, the general nature of the business to be transacted, and that no other business may be transacted, or (B) for the Annual Meeting, those matters that the Board, at the time notice is given, intends to present for action by the members, but, except as provided in Section 7(f)(1) of Article IV of these bylaws, any proper matter may be presented at the meeting. The notice of any meeting at which Directors are to be elected shall include the names of all persons who are nominees when notice is given.
 - (2) Agenda Items. Matters may be placed on the agenda for any General Meeting, Annual Meeting or Special Meeting by notifying the Secretary by telephone or in writing of the matter to be placed on the agenda no later than 3:00 p.m. five (5) days preceding the meeting. No matter shall be considered unless it has been placed on the Agenda or unless the matter is declared an "emergency matter" as set forth below in Section 7(e)(3).
 - (3) Notice of Certain Agenda Items and Emergency Matters. Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice states the general nature of the proposal or proposals:
 - (A) Removing a director;
 - (B) Amending the Articles of Incorporation; or
 - (C) Electing to dissolve the Association.With the exception of the three proposals listed above in Section 7(e)(3)(A-C), the Board may declare that any item of business required to be set forth in writing on the agenda of a meeting constitutes an "emergency matter" and the Board can thereby waive the requirement that such matter be included on the agenda or in the notice of a Special Meeting. To declare a matter an "emergency" shall require a two-thirds vote of the members of the Board present, so long as a quorum is present.
 - (4) Manner of Giving Notice. Notice of any meeting of members shall be in writing and shall be given at least ten (10) but not more than sixty (60) days before the meeting date. The notice shall be given either personally, e-mail, overnight courier or by first-class, registered, or certified mail, facsimile or by other means of written communication, charges prepaid and shall be addressed to each member entitled to vote, at the address of that member appearing in the

records of the Association. If no address appears in the Association's records, notice shall be deemed to have been given if either

- (A) Notice is sent to that member by first-class mail, e-mail, facsimile or other written communication to that Agencies principal office or
 - (B) Notice is published at least once in a newspaper of general circulation in Orange County County, California.
- (5) Waiver by Attendance. A member's attendance at a meeting shall 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. Notwithstanding the foregoing, 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.
- (f) Quorum.
- (1) Percentage Required. Twenty-five percent (25%) of the voting power shall constitute a quorum for the transaction of business at any meeting of members.
 - (2) Loss of Quorum. Subject to Section 7(f)(1) of Article IV of these bylaws, the members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment. At any meeting in which enough members have withdrawn to leave less than a quorum, any action taken (other than adjournment) which is approved by at least a majority of the members required to constitute a quorum shall be effective.
- (g) Adjournment and Notice of Adjourned Meeting. Any members meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members present at the meeting. No meeting may be adjourned for more than forty-five (45) days. When a members 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.
- (h) Voting
- (1) Eligibility to Vote. Members entitled to vote at any meeting of members shall be all Agency Members in good standing as of the record date determined under Sections 7(j)(1) and 7(j)(2) of Article IV of these bylaws.
 - (2) Manner of Casting Votes. Voting may be by voice or ballot, except that any election of directors must be by ballot.
 - (3) Number of Votes. Each Agency Member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members.
 - (4) Approval by Majority Vote. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members.

- (i) Action by Written Ballot Without a Meeting. Any action that may be taken at any meeting of members may be taken without a meeting, except the election of Directors, by complying with Sections 7(i)(1) through 7(i)(4) of Article IV of these bylaws.
 - (1) Solicitation of Written Ballots. The Association shall distribute one (1) written ballot to each member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by Section 7(e)(4) of Article IV of these bylaws. All solicitations or votes by written ballot shall:
 - (A) Indicate the number of responses of the membership needed to meet the quorum requirement;
 - (B) State the percentage of the membership 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.
 - (D) Each ballot so distributed shall set forth the proposed action; provide the members an opportunity to specify approval or disapproval of each proposal; and
 - (E) Provide a reasonable time in which to return the ballot to the Association. 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 but shall be counted in determining whether a quorum is met.
 - (2) Number of Votes and Approvals Required. Approval by written ballot shall be valid only when:
 - (A) The number of votes cast by ballot (including those ballots that are marked "*withhold*," or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and
 - (B) 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.
 - (3) Revocation. A written ballot may not be revoked.
 - (4) Filing. All written ballots shall be filed with the Secretary and maintained in the Association's records for one (1) year.
- (j) Record Date for Notice, Voting, Written Ballots, and Other Actions.
 - (1) Record Date. For purposes of establishing the members entitled to receive notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights in any lawful action, the Board may, in advance, fix a record date. Except as otherwise required by law, the record date shall be as follows:
 - (A) for notice of a meeting, voting at a meeting and voting by written ballot: at least ten (10) but not more than sixty (60) days before the date;
 - (B) For any other action shall be not more than sixty (60) days before that action.

- (2) Members of Record. For purposes of Section 7(j)(1) of this Article IV an agency holding a membership at the close of business on the record date shall be a member of record.
- (k) Proxies. Members are not entitled to vote by proxy.

ARTICLE V DIRECTORS

Section 1. General Corporate Powers. Subject to any limitations in the Articles of Incorporation or these bylaws regarding actions that require the approval of the members, the Association's activities and affairs shall be managed and all corporate power shall be exercised by or under the Board's direction.

Section 2. Number of Directors. The Board shall consist of at least seven (7) but no more than fifteen (15) directors, including all five (5) elected officers. The initial directors shall be appointed by the incorporator.

Section 3. Nomination of Directors. The Association may nominate Directors for election in one of the following three (3) ways:

- (a) Nominations by Executive Board. The President shall appoint a Nominating Committee to select qualified candidates for election to the Board at least forty-five (45) days and no more than ninety (90) days before the date of any election of directors. The Nominating Committee shall submit its recommendations to the Executive Board no later than the final regularly scheduled Executive Board meeting prior to the election of new Directors, and the Executive Board shall select from the list of names submitted to it by the Nominating Committee only so many names as there are available seats on the Board.
- (b) Nominations by Members. Members may nominate candidates for director by a petition, signed by at least two voting members within twenty (20) days proceeding the next time directors are to be elected, which petition is delivered to the Secretary. On timely receipt of a petition signed by the required number of members, the Secretary shall cause the names of the candidates named on it to be placed on the ballot along with the names of those candidate~ named by the Executive Board, identifying any names nominated by petition.
- (c) Nominations From the Floor. If there is a meeting of voting members to elect directors, any Agency Member of record present in person at the meeting may place names in nomination.

Section 4. Election, Designation and Term of Office.

- (a) Elected Directors. Except for the seven (7) initial directors designated by the incorporator and except as provided in Section 4(b) of this Article V, all directors shall be elected for a term of one (1) year, by written ballot mailed by the Association to each member entitled to vote no later than 30 days before the election, or at each annual meeting of members. The term of office begins July 1st of each year.
- (b) Honorary Directors. The newly elected President may appoint honorary (non-voting positions) directors. These honorary directors shall serve for a period of one (1) year, but may be reappointed for subsequent terms and are subject to change by their respective electing or choosing constituencies.

Section 5. Vacancies on the Board.

- (a) Events Causing Vacancy. A vacancy or vacancies on the Board shall exist on the occurrence of any of the following:
 - (1) the death or resignation of any director;

- (2) the declaration by resolution of the Board of a vacancy, in the office of a director who has been declared of unsound mind by an order of court or convicted of a felony;
 - (3) the vote of the members to remove any director(s); provided, however, director(s) appointed pursuant to the provisions of Section 4(b) of Article V of these bylaws may only be removed by the President and may not be removed without the written consent of the President;
 - (4) the increase of the authorized number of directors;
 - (5) at any meeting of voting members at which directors are to be elected, voting members fail to elect the number of directors required at that meeting; or
 - (6) the absence of a director without just cause, as determined by the Executive Board in its sole discretion, from three (3) consecutive meetings of the Board.
- (b) Resignations. Any director may resign by giving written notice to the President with a copy to the Secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the Board may elect a successor to take office when the resignation becomes effective.
- (c) Filling Vacancies. Vacancies on the Board through any cause shall be filled 'by appointment by the President and ratification by a majority of the directors present at any meeting, whether or not a quorum is presence. The person so appointed shall serve for the unexpired portion of the term of the director whose place is being filled.

Section 6 Directors' Meetings.

- (a) Place of Meetings. Meetings of the Board shall be held at any place within the Greater Orange County area that has been designated by resolution of the Board or in the notice of the meeting, or, if not so designated, at the principal office of the Association.
- (b) Meetings by Telephone. Any meeting may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person at such a meeting.
- (c) Regular Meetings. The Board shall hold a regular meeting the second Tuesday of every month. Such regular meetings do not require notice. The Board may, by a majority vote, suspend such meetings for a period not to exceed thirty (30) days.
- (d) Special Meetings.
 - (1) Authority to Call. Special meetings of the Board for any purpose may be called at any time by the President or by a written petition submitted to the President signed by a majority of the Executive Board, whereupon the President shall call a special meeting as provided herein within ten (10) days of receipt of the Petition.
 - (2) Notice.
 - (i) Manner of Giving Notice. Notice of the time and place of special meetings shall be given to each director by one (1) of the following methods:
 - (A) by personal delivery of written notice,
 - (B) by first-class mail, postage prepaid,

- (C) by telephone, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director,
 - (D) by telegram, charges prepaid, or
 - (E) by facsimile. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Association.
 - (F) by e-mail. All such notices shall be given or sent to the Director's e-mail address as shown on the records of the Association.
- (ii) Time Requirements. Notices sent by first-class mail shall be deposited in the United States mail at least seven (7) days before the time set for the meeting. Notices given by personal delivery, telephone, telegraph or facsimile shall be delivered at least three (3) days before the time set for the meeting.
 - (iii) Notice Contents. The notice shall state the time of the meeting, and the place if the place is other than the principal office of the Association. It need not specify the purpose of the meeting.

Section 7. Quorum. One-half, plus one member of the Board shall constitute a quorum. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 8. Waiver of Notice. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the Association's records or made a part of the minutes of the meeting. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

Section 9. Committees.

- (a) Executive Board. The Executive Board shall consist of the following named officers of the Association: President, Vice President, Treasurer, Secretary and Parliamentarian. Except as otherwise provided by law, the Executive Board shall have all powers authorized to it by the Board and may act on behalf of the Board on matters of extreme importance when time is of the essence and expedience is deemed advisable. Ratification and/or approval of those expedient actions must be taken at the next scheduled Board meeting. Executive Board meetings shall be called by the President at any time. The quorum for meetings of the Executive Board shall be a majority of the total number of individuals on the Executive Board.
- (b) Other Committees. Except as otherwise provided by law, the Board may, from time to time, establish various committees to act on matters of importance to the Association. The primary responsibilities of the committees shall be to further the mission, goals and welfare of the Association. Membership to committees is open to Association members in good standing and non-members on a limited basis when required. Meetings and actions of such committees shall be governed by,

held, and taken in accordance with; rules for the governance of any committee which are adopted by the Board or, in the absence of rules adopted by the Board, the committee may adopt such rules. The President shall be entitled to membership on all committees and be entitled to vote on any matter before a committee.

- (c) Task Forces. The Executive Board and/or the Board of Directors may establish, from time to time, task forces of limited duration to address topics of special interest to the Association.

ARTICLE VI OFFICERS

Section 1. Officers of the Association. The officers of the Association shall be the President, the Vice President, the Treasurer, the Secretary and the Parliamentarian.

Section 2. Election of Officers. The Nominating Committee, appointed by the President under Section 3(a) of Article V, shall select qualified individuals from the Board of Directors-Elect who will be taking office July 1st, to be officers of the Association. . The Nominating Committee shall submit its recommendations for Officers to the Board of Directors-Elect within ten days of their election each year and the newly elected Board shall elect the officers of the Association from the list of names submitted to it by the Nominating Committee. This selection shall be ratified by a vote of the Board of Directors at the first meeting of the new year in July. The officers so elected shall take office commencing July 1st and serve a one (1) year term.

Section 3. Removal of Officers. An officer may be removed with or without cause by the Board by majority vote of the Board.

Section 4. Resignation of Officers. An officer may resign at any time by giving written notice to each member of the Board of Directors. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the Association under any contract to which the officer is a party.

Section 5. Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by appointment by the President and ratification by a majority of the Board. The person so appointed shall serve for the unexpired portion of the term of the officer whose place is being filled. Section 6. Responsibilities of Officers. In the event of a vacancy in the Office of the President, the Board of Directors shall select and vote upon a replacement from amongst the Board of Directors. Until a replacement is elected, the Vice President shall be the acting President.

- (a) **President.** The President shall be the titular head of the Association and shall preside at all meetings of the Board and/or members of the Association. The President shall also represent or appoint representation at all ceremonies at which the Association is to be represented. She or he shall be the Chief Executive Officer of the Association and, subject to the control of the Board, shall have general charge and supervision of the administration of the affairs and business of the Association. She or he shall see that all orders and resolutions of the Board are carried into effect. She or he shall sign and execute all legal documents and instruments in the name of the Association when authorized to do so by the Board and shall perform such duties as may be assigned from time to time by the Board. The President shall submit to the Board plans and suggestions for the work of the Association, shall direct its general correspondence, and shall present recommendations in each case to the Board of Directors for decision. She or he shall also submit a report of the activities and business affairs of the Association at all Annual Meetings and at other times when called upon to do so by the Board.
- (b) **Vice President.** The Vice-President shall discharge the duties of the President in the event of absence or disability of any cause whatsoever, and shall exercise and

- perform such powers and duties as the President or Board may assign from time to time. The Vice-President shall serve as an *ex-officio* member on all committees at the direction of the President.
- (c) Secretary. The Secretary shall have charge of the records and correspondence of the Association under the direction of the President. The Secretary shall give notice of and attend all meetings of the Board. The Secretary shall discharge other duties as shall be assigned by the President. In case of the absence or disability of the Secretary, the President may appoint an Acting Secretary to perform the duties of the Secretary during such absence or disability. In case of the absence or disability other than a vacancy of the President and Vice-President, the Secretary shall call the meeting to order and preside until the election or appointment of an Acting President.
- (d) Treasurer. The Treasurer shall be the Chief Financial Officer of the Association, subject to the control of the President or the Board. In case of the absence or disability of the Treasurer, the President may appoint an Acting Treasurer to perform the duties of the Treasurer during such absence or disability.
- (1) Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books of account of the Association's monies, credits, properties and transactions showing at all times the amount of funds and other property belonging to the Association. The Treasurer shall send, or cause to be given, to the members and directors such financial statements and reports as are required by law, by these bylaws, or by the Board to be given. The books of account shall be open to inspection by any director at reasonable times.
- (2) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Association with such depositories as the Board may designate, shall disburse the Association's funds as the President may order, shall render to the Board, when requested, a report of the financial condition of the Association, and shall have such other powers and perform such other duties as the Board may prescribe. Except as otherwise ordered by the President, the Treasurer shall have the custody of all the funds and securities of the Association.
- (e) Parliamentarian. The Parliamentarian shall keep order at meetings of the Association and Board, make sure meetings are conducted in accordance with Robert's Rules of Order and take Roll Call.

ARTICLE VII

Indemnification of Directors, Officers, Employees and Other Agents

Section 7.01. Agents, Proceedings, and Expenses. For the purposes of this Article, "agent" means any person who is or was a Director, officer, employee, or other 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, trust or other enterprise, or was a Director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of this Corporation or of another enterprise

at the request of such predecessor corporation; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expense" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under Sections 7.04 or 7.05(c) of this Article VII.

Section 7.02. Actions Other Than By the Corporation. This Corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of this Corporation to procure a judgment in its favor) by reason of the fact that such person is or was an agent of this Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of this Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 7.03. Actions By the Corporation. This Corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of this Corporation to procure a judgment in its favor by reason of the fact that person is or was an agent of this Corporation, against expenses actually and reasonably incurred by that person in connection with the defense or settlement of that action if that person acted in good faith, in a manner that person believed to be in the best interests of this Corporation and its shareholders. No indemnification shall be made under this Section 7.03 for any of the following reasons:

- (a) In respect of any claim, issue or matter as to which that person shall have been adjudged to be liable to this Corporation in the performance of that person's duty to this Corporation and its shareholders, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, that person is fairly and reasonably entitled to indemnity for the expenses and then only to the extent that the court shall determine;
- (b) Of amounts paid in settling or otherwise disposing of a pending action without court approval; or
- (c) Of expenses incurred in defending a pending action which is settled or otherwise disposed of without court approval.

Section 7.04 Successful Defense By Agent. To the extent that an agent of this Corporation has been successful on the merits in defense of any proceeding referred to in Sections 7.02 or 7.03 of this Article VII, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 7.05 Required Approval. Except as provided in Section 7.04 of this Article VII, any indemnification under this Article VII shall be made by this Corporation only if authorized in the specific case on a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 7.02 or 7.03 of this Article VII, by any of the following:

- (a) A majority vote of a quorum of Directors;
- (c) Approval by the affirmative vote of a majority of the members of this Corporation entitled to vote represented at a duly held meeting at which a quorum is present; or
- (d) The court in which the proceeding is or was pending, on application made by this Corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this Corporation.

Section 7.06 Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by this Corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance if it shall be determined ultimately that the agent is not entitled to be indemnified as authorized in this Article VII.

Section 7.07 Other Contractual Rights. The indemnification provided by this Article VII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of members or disinterested directors, or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent such additional rights to indemnification are authorized in the Articles of Incorporation. The rights to indemnify under this Article VII shall continue as to a person who has ceased to be a Director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of the person. Nothing contained in this Article VII shall affect any right to indemnification to which persons other than Directors and officers of this Corporation or any subsidiary hereof may be entitled by contract or otherwise.

Section 7.08 Limitations. No indemnification or advance shall be made under this Article VII, except as provided in Sections 7.04 or 7.05(c), in any circumstance where it appears:

- (a) That it would be inconsistent with a provision of the articles, a resolution of the Corporation, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification.
- (b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 7.09 Specific Indemnification of Directors. Notwithstanding any provision in this Article VII to the contrary, Directors who are parties to, or threatened to be made a party of, any proceeding shall be indemnified against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, including, but not limited to, the defense or settlement of such proceeding; provided, however, that such Director's personal liability does not arise out of such person's (i) acts or

omissions that involve intentional misconduct or knowing and culpable violation of the law; (ii) acts or omissions that such Director believed to be contrary to the best interests of this Corporation or its members or that involve the absence of good faith on the part of the Director; (iii) any transaction from which a Director derived an improper personal benefit; (iv) acts or omissions that show a reckless disregard for the Director's duty to this Corporation or its members in circumstances in which the Director was aware, or should have been aware, in the ordinary course of performing the Director's duties, of a risk of serious injury to this Corporation or its members; (v) acts or omissions that constitute an unexcused pattern of inattention that amounts to an abdication of the Director's duty to this Corporation or its members; (vi) contracts or transactions in which a Director has a direct or indirect financial interest as provided in California Corporations Code Section 310; or (vii) distributions, loans, guarantees or other transactions under California Corporations Code Section 316. This Section 7.09 shall not be construed to eliminate or limit the liability of an officer of this Corporation for any act or omission as an officer, notwithstanding that such officer is also a Director or that such officer's actions, if negligent or improper, have been ratified by the Board of Directors.

Section 7.10 Insurance. Upon and in the event of a determination by the Board of Directors of this Corporation to purchase such insurance, this Corporation shall purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not this Corporation would have the power to indemnify the agent against that liability under the provisions of this Article VII.

Section 7.11 Fiduciaries of Corporate Employee Benefit Plan. This Article VII does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the Corporation as defined in Section 7.01 of this Article VII. This Corporation shall have power to indemnify such a trustee, investment manager or other fiduciary to the extent permitted by applicable law.

ARTICLE VIII RECORDS AND REPORTS

Section 8.01 Maintenance of Records. The Association shall keep and maintain adequate and correct books and records of account, written minutes of the proceedings of its members, Board and committees, and a record of each member's name, address and class of membership.

Section 8.02 Members' Inspection Rights.

- (a) Except as otherwise set forth below in Sections 2(a)(3) and 2(a)(4) of this Article VIII, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:
 - (1) 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

- (2) Obtain from the Secretary, on written demand and tender of a reasonable charge, a 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 ten (10) 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.
 - (3) The Association may, within ten (10) business days after receiving a demand under Section 2(a)(2) of this Article VIII, 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 officer must be in writing and must state the reasons that the proposed alternative does not meet the proper purpose of the demand.
 - (4) 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 as set forth above, it may deny the member access to the membership list.
 - (5) Any inspection and copying under Section 2(b) of this Article VIII may be made in person or by the member's agent. The right of inspection includes the right to copy and make extracts.
- (b) Accounting Records and Minutes. On written demand of the Association, any member may inspect, copy and make extracts of the accounting books and records and the minutes of the proceedings of the members, the Board and the committees of the Association at any reasonable time for a purpose reasonably related to the member's interest as a member. Any such inspection and copying may be made in person or by the member's agent.

Section 8.03 Maintenance and Inspection of Articles and Bylaws. The Association shall keep at its principal office the original or a copy of the Articles of Incorporation of the Association and these bylaws, as amended to date, which shall be open to inspection by the members of the Association at all reasonable times during office hours.

Section 8.04 Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect the Association's books, records, documents of every kind and physical properties. The inspection may be made in person or by the director's agent. The right of inspection includes the right to copy and make extracts.

Section 8.05 Annual Report.

- (a) The Association's fiscal year shall be July 1 through June 30.
- (b) An annual report shall be prepared within ninety (90) days after the end of the Association's fiscal year. The annual report shall contain the following information in appropriate detail:
 - (1) A balance sheet as of the end of the fiscal year, and an income statement and statement of cash flows for the fiscal year, accompanied by a report on them by independent accountants, or, if there is no such report, by the certificate of the Treasurer of the Association that they were prepared without audit from the books and records of the Association.

- (2) A statement of the place where the names and addresses of current members are located.
- (3) Any information that is required by Section 6 of this Article VIII.
- (c) The Association shall notify each member annually of the member's right to receive a financial report under Section 5 of this Article VIII.

Section 8.06 Annual Statement of Certain Transactions and Indemnifications. As part of the annual report to all members, or as a separate document if no annual report is issued, the Association shall annually prepare and mail or deliver to its members and furnish to its directors a statement of any transaction or indemnification of the following kinds within ninety (90) days after the end of the Association's fiscal year:

- (a) Any transaction to which the Association was a party which involved more than twenty-five thousand dollars (\$25,000), or was one of a number of such transactions with the same person involving in the aggregate more than twenty-five thousand dollars (\$25,000) and in which any director or officer of the Association had a direct or indirect material financial interest; provided, however, a mere common directorship is not a material financial interest. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Association, the nature of their interest in the transaction and, when practical, the amount of that interest; provided, however, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.
- (b) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications or advances aggregating more than one thousand dollars (\$1,000) paid during the fiscal year to any officer or director of the Association.

ARTICLE IX APPEALS; POLICY OF THE BOARD

By petition of not less than ten (10%) percent of the members of the Association in good standing, a vote of the membership shall be taken in connection with any matter of policy which has been adopted by the Board. A petition stating the nature of the disagreement, signed by those ten (10%) percent members, shall be presented to the Secretary within thirty (30) days of the Board's action demanding a vote of the membership. Within thirty (30) days after receiving the petition, the Secretary shall prepare a statement of the question involved stating briefly both sides of the argument, in form satisfactory to the respective proponents as to their argument, and shall submit same to the membership for vote by mail. The members' votes shall be returned to the Association's office within a specified time, but no later than ten (10) days from the mailing of the ballots. The vote received shall, upon the expiration of the time limit for voting, be placed before the Board for such further action as the Board may deem just and proper.

ARTICLE X AMENDMENTS

These bylaws may be amended or repealed at any regular meeting of the Board upon a vote of the majority of the directors present; provided, however, that a majority of the total number of directors are present at said meeting.

ARTICLE XI EFFECTIVE DATE OF BYLAWS

These bylaws shall be in effect immediately upon their ratification by the Board, and shall replace and supersede all previous bylaws governing the Association.

ARTICLE XII DISSOLUTION

The Association shall use its funds only to accomplish its mission, goals, objectives and purposes specified in these bylaws. No part of the Association's funds shall inure or be distributed to any member of the Association. Upon dissolution or winding up, any remaining funds of the Association shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations qualified under Internal Revenue Code Section 501(c) to be selected in the discretion of the Board.

**ACTION OF INCORPORATOR OF ORANGE COUNTY BAIL AGENTS ASSOCIATION, INC.
A California Corporation**

The undersigned, sole incorporator of ORANGE COUNTY BAIL AGENTS ASSOCIATION, INC., a California Corporation, hereby adopts the following resolutions under section 210 of the California Corporations Code:

1. Adoption of Bylaws. The bylaws of the corporation as presented to the incorporator are adopted. The Secretary is hereby authorized and directed to execute a certification of the adoption of the bylaws and to file the bylaws as so certified in the minute book of the corporation, and to see that a copy of the bylaws, similarly certified, is kept at the principal office of the corporation in accordance with section 213 of the Corporations Code.

2. Election of Directors. The following persons are elected directors of the corporation, to hold office until the next annual meeting and/or until their successor(s) has been elected and qualified:

Sean Mitchel Cook
Leslie Anne Miller
Brent Robert Meyerson
Jason Edwards Meyerson
Luis Humberto Mier
John Robert Drake, Jr.
Bonnie Joyce Plotkin

Executed this 10th day of November, 2008

Brent Robert Meyerson, Incorporator

I DO HEREBY CERTIFY AS FOLLOWS:

That I am the duly elected, qualified and acting Secretary of the above named corporation, that the foregoing By-laws were adopted as the By-laws of said corporation on the date set forth above by the person appointed in the Articles of Incorporation to act as incorporator of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal this 10th day of November, 2008

Brent Robert Meyerson, Incorporator

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Orange County Bail Agents Association, a California Non-profit Mutual Benefit Corporation, that the above Bylaws, consisting of twenty-one (21) pages, are the Bylaws of this Corporation as adopted by the Board of Directors as of November 18, 2008.

Executed as of November 18, 2008.

Brent Robert Meyerson, Incorporator

I DO HEREBY CERTIFY AS FOLLOWS:

That I am the duly elected, qualified and acting Secretary of the above named corporation, that the foregoing Amended By-laws were amended as the By-laws of said corporation on the date set forth above by Board of Directors of the Orange County Bail Agents Association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal this 11th day of May, 2011

Brent Robert Meyerson, Secretary

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Orange County Bail Agents Association, Inc. a California Non-profit Mutual Benefit Corporation, that the above Amended Bylaws, consisting of twenty-four (24) pages, are the Amended Bylaws of this Corporation as adopted by the Board of Directors as of May 11, 2011.

Executed as of May 11, 2011

Brent Robert Meyerson, Incorporator