

BYLAWS  
OF  
SAN DIEGO BANKRUPTCY FORUM  
a membership nonprofit mutual benefit corporation

TABLE OF CONTENTS

	<u>Page</u>
<b>ARTICLE 1</b> Offices.....	1
1.1 Principal Office.....	1
1.2 Other Offices.....	1
<b>ARTICLE 2</b> Purposes .....	1
2.1 Purposes .....	1
2.2 Dissolution .....	1
<b>ARTICLE 3</b> Membership .....	1
3.1 Qualification for Membership.....	1
3.2 Voting Rights .....	2
3.3 Annual Dues.....	2
3.4 Termination of Membership .....	2
3.5 Good Standing .....	3
3.6 Reinstatement.....	3
3.7 Property Rights .....	3
3.8 Nonliability .....	3
3.9 Nontransferability .....	3
<b>ARTICLE 4</b> Membership Meetings .....	3
4.1 Place of Meetings.....	3
4.2 Annual Meeting .....	4
4.3 Special Meetings.....	4
4.4 Notice of Meetings or Elections .....	4
4.5 Adjourned Meetings.....	4
4.6 Quorum .....	4
4.7 Consent of Absentees.....	5

	<u>Page</u>
4.8 Voting .....	5
4.9 Action Without Meeting by Written Ballot .....	5
4.10 Record Date .....	5
4.11 Election of Directors .....	6
4.12 Conduct of Meetings.....	6
<b>ARTICLE 5</b> Board of Directors.....	7
5.1 Powers.....	7
5.2 Number of Directors .....	7
5.3 Election and Term of Office .....	7
5.4 Removal and Resignation .....	7
5.5 Vacancies .....	7
5.6 Ex Officio Directors.....	8
5.7 Place of Meetings.....	8
5.8 Organizational Meetings.....	8
5.9 Other Regular Meetings.....	9
5.10 Special Meetings.....	9
5.11 Notice of Meetings.....	9
5.12 Consent to Meetings .....	9
5.13 Action Without Meeting .....	9
5.14 Telephonic Meetings.....	9
5.15 Quorum .....	9
5.16 Adjournment .....	9
5.17 Fees and Compensation .....	10
5.18 Nonliability of Directors .....	10
5.19 Indemnity .....	10

	<u>Page</u>
5.20 Standard of Conduct .....	10
5.21 Self-Dealing Contracts.....	11
5.22 Voting by Proxy .....	11
<b>ARTICLE 6</b> Officers .....	11
6.1 Officers .....	11
6.2 Election .....	12
6.3 Subordinate Officers .....	12
6.4 Removal and Resignation .....	12
6.5 Vacancies .....	12
6.6 President.....	12
6.7 Vice-President.....	12
6.8 Secretary .....	12
6.9 Treasurer .....	13
<b>ARTICLE 7</b> Committees .....	13
7.1 Appointment of Committees.....	13
7.2 Powers and Authority of Committees.....	13
<b>ARTICLE 8</b> Corporate Advances.....	13
8.1 Corporate Advances.....	13
<b>ARTICLE 9</b> Miscellaneous .....	14
9.1 Fiscal Year .....	14
9.2 Inspection of Corporate Records .....	14
9.3 Representation of Shares of Other Corporations .....	14
9.4 Checks, Drafts, Etc .....	14
9.5 Execution of Contracts.....	14
9.6 Annual Report — When Required.....	14

	<u>Page</u>
9.7 Annual Statement of Certain Transactions and Indemnifications .....	15
<b>ARTICLE 10</b> Effective Date and Amendments .....	16
10.1 Effective Date .....	16
10.2 Amendments .....	16

BYLAWS  
OF  
SAN DIEGO BANKRUPTCY FORUM

a membership nonprofit mutual benefit corporation

**ARTICLE 1**

Offices

1.1 Principal Office. The principal office for the transaction of the business of the Corporation shall vary and shall be located at the business office of the person serving as President of the Bankruptcy Forum as may change from time to time, in the County of San Diego, State of California. The Board of Directors is hereby granted full power and authority to change the said principal office from one location to another within the said county.

1.2 Other Offices. Branch or subordinate offices may at any time be established by the Board of Directors at any place or places where the Corporation is qualified to do business.

**ARTICLE 2**

Purposes

2.1 Purposes. The initial principal purposes of the Corporation are to disseminate information, provide public service and education and promote a better spirit of cooperation in the field of bankruptcy and insolvency law and practice in San Diego County, and the officers and agents of the Corporation are authorized and instructed to proceed to that end.

2.2 Dissolution. Upon dissolution of the Corporation, any assets remaining after payment of all known debts and liabilities shall be distributed to the members in accordance with California Corporations Code Section 8717.

**ARTICLE 3**

Membership

3.1 Qualification for Membership. There shall be one class of members of the Corporation; namely, active members. Active members of the Corporation shall be those persons interested in any aspect of business related to bankruptcy or insolvency. Corporations, partnerships and associations shall not be eligible for membership in the Corporation; provided, however, that a professional corporation may be a member as long as only one natural person is the principal of the professional corporation.

3.2 Voting Rights. Each active member in good standing shall be entitled to cast one vote with respect to those matters submitted to the membership for action or approval. There shall be no voting by proxy. Members not in good standing shall not be entitled to cast any vote.

3.3 Annual Dues. Regular annual dues for active members shall be assessed based on the need of the Corporation to sustain itself from year to year. The Board of Directors shall be entitled to, from time to time at its own discretion, determine the amount of dues to be assessed to each member. Dues shall be payable in one annual installment in an amount to be determined by the Board of Directors. Such dues shall be added to the general fund for the Corporation and shall be administered by the Corporation.

3.4 Termination of Membership. The membership of any member shall terminate upon the occurrence of any one or more of the following:

3.4.1. Resignation. Any member may resign from the Corporation in writing filed with the Secretary of the Corporation. Resignation shall not release the resigning member from the payment of any unpaid membership fees, dues or assessments. No pro rata refund of any initial membership fee, dues or assessments shall be made for the balance of the calendar year in which the resignation is effective, or otherwise.

3.4.2. Expiration and Disqualification. A membership issued for a period of time shall expire when such period of time has elapsed unless the membership is renewed. In the case of membership qualifications for which qualification requirements are established, membership of a member shall terminate upon the determination of the Board of Directors, or a committee with no fewer than two Directors designated by the Board to make the determination, that the member no longer meets the qualification requirements for membership in the Corporation.

3.4.3. Dues and Assessments. Membership shall terminate upon the failure of the member to pay dues or assessments within the time periods established by the Board of Directors.

3.4.4. Expulsion or Suspension. Membership of a member shall terminate upon the determination of the Board of Directors after hearing, if requested by the member, duly held in accordance with this Section 3.4.4, or a committee with no fewer than two (2) Directors designated by the Board to make such determination, that the member has failed in a material respect to observe the rules of conduct promulgated from time to time by the Board of Directors and applicable to members, or otherwise has failed in some material respect to merit continued membership privileges in the Corporation. Following the determination by the Board, or the committee, as the case may be, that a member should be expelled or suspended, the following procedures shall be implemented:

(a) A notice shall be sent by mail by prepaid, first-class, certified or registered mail to the most recent address of the member as shown on the Corporation's records, setting forth the expulsion or suspension and the reasons therefor. Such notice shall be sent at least 15 days before the proposed effective date of the expulsion or suspension.

(b) The member being expelled or suspended shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held no fewer than five days before the effective date of the proposed suspension or expulsion. The hearing shall be held by the Board of Directors or the committee designated by the Board for such purpose. The notice to the member of his or her proposed expulsion or suspension shall state that such member is entitled, upon request, to such hearing, shall state that a date, time and place of the hearing will be established upon receipt of request therefor, and shall state, in the absence of such request, the effective date of the proposed suspension or expulsion.

(c) Following the hearing, the Board, or committee, as the case may be, shall decide whether the member should in fact be expelled, suspended, or sanctioned in some other way. The decision of the Board, or committee, as the case may be, shall be final.

(d) Any action challenging an expulsion or suspension of membership, including any claim alleging defective notice, must be commenced within one year after the date of the expulsion or suspension.

3.5 Good Standing. The Board of Directors shall have the right to sanction a member for grounds as set forth in subsections 3.4.2, 3.4.3, or 3.4.4 by determining said member to be not in good standing for a specified period of time. Upon such determination, said member shall not be entitled to rights and privileges of membership for said period as is established by the Board.

3.6 Reinstatement. Suspended or expelled members may be reinstated at the discretion of the Board of Directors or a committee with no fewer than two (2) Directors designated by the Board to make such determination.

3.7 Property Rights. No member shall have any right or interest in any of the property or assets of this Corporation.

3.8 Nonliability. No member shall be personally liable for the debts, liabilities, or obligations of this Corporation.

3.9 Nontransferability. No member may transfer, for value or otherwise, a membership or any right arising therefrom, and all rights of membership shall cease upon the member's death or dissolution. The Board of Directors may, from time to time, provide for the transfer of memberships, or of memberships within any class or classes, with or without restriction or limitation, including transfer upon the death, dissolution, merger, or reorganization of a member. Where transfer rights have been provided, no restriction of them shall be binding with respect to memberships issued prior to the adoption of the restriction, unless the holders of such memberships voted in favor of the restriction.

## ARTICLE 4

### Membership Meetings

4.1 Place of Meetings. All meetings of members shall be held either at the principal office of the Corporation or at any other place within the State of California, which may be designated by the Board of Directors pursuant to the authority hereinafter granted to the said

Board, or by the written consent of all members entitled to vote thereat, given either before or after the meeting and filed with the Secretary of the Corporation.

4.2 Annual Meeting. The annual meeting of members of the Corporation shall be held at the last lecture of the calendar year held by the Corporation, or at any other time and place determined by resolution of the Board of Directors.

4.3 Special Meetings. Special meetings of members, for any lawful purpose or purposes whatsoever, may be called at any time by the President, the Board of Directors, or by members holding twenty percent (20%) or more of the voting power of the Corporation. Upon such call in writing by any person or persons other than the Board, stating the business to be transacted at the special meeting, mailed to the principal office of the Corporation, or delivered to the President, the Vice-President or Secretary, it shall be the duty of the President to cause notice to be given, within twenty (20) days from receipt of such a request, to the members entitled to vote thereat of the meeting scheduled and to be held not less than thirty-five (35) days nor more than ninety (90) days after the receipt of such a request.

4.4 Notice of Meetings or Elections. A notice of each annual meeting, written ballot for election of Directors or otherwise, if any, or special meeting shall (i) be given by the President or, in case of his or her failure or refusal, by any other officer or any Director; (ii) specify the place, time, day and hour of the meeting or the date on which the ballot shall be returned, if applicable; and (iii) in the case of special meetings, state the nature of the business to be transacted thereat. Such notice shall be given in writing to every member of the Corporation who, on the record date for notice of the meeting, is entitled to vote thereat. Such notice shall be given either personally or by sending a copy thereof by e-mail, facsimile, or first-class mail, postage prepaid, to the member's contact information appearing on the books of the Corporation, at least ten (10) days but no more than ninety (90) days prior to the date fixed for such meeting or election.

4.5 Adjourned Meetings. Any members' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the members present, but in the absence of a quorum no other business may be transacted at any such meeting. No meeting may be adjourned for more than 45 days, annual or special, to another time or place. It shall not be necessary to give any such notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by an announcement at the meeting at which such adjournment is taken. If after the 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.

4.6 Quorum. The presence in person of a majority of the voting power of the Corporation shall constitute a quorum for the transaction of business, except with respect to the annual election of Directors as set forth in Section 4.11. The members present at a duly called or held meeting at which a quorum is present may continue to do 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.

4.7 Consent of Absentees. The transactions of any meeting of members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present in person, and if, either before or after the meeting, each of the members entitled to vote, not present in person, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

4.8 Voting. Each voting member in good standing is entitled to one vote on each matter submitted to a vote of the members. Voting shall be by voice vote, unless the chairman of the meeting at which such vote takes place directs such voting to be by ballot. No single vote shall be split into fractional votes. Cumulative voting shall not be authorized.

4.9 Action Without Meeting by Written Ballot. Any action which may be taken at any regular or special meeting of members, except election of Directors as set forth in Section 4.11 hereof, may be taken without a meeting if the Corporation distributes a written ballot to every member entitled to vote on the matter. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Corporation. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds a quorum of the members, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Ballots shall be distributed to members in accordance with Section 4.4 hereof. All written ballots distributed in accordance with this Section 4.9 shall specify the time by which the ballot must be received in order to be counted.

4.10 Record Date. The Board of Directors may fix, in advance, a record date for the purpose of determining the members entitled to notice of and to vote at any meeting of members, give consent to corporate action in writing without a meeting, receive any report, receive any allotment of rights, or exercise rights in respect to any change in membership rights or liabilities. Only members of record on the record date are entitled to notice of and to vote at any such meeting, give consent without a meeting, receive any report, receive allotment of rights, or exercise the rights, as the case may be, notwithstanding any transfer of memberships on the books of the Corporation after the record date, except as otherwise provided in the Articles of Incorporation or these Bylaws. The Board of Directors shall fix, in advance, record dates as follows:

4.10.1. Notice. The record date for the purpose of determining the members entitled to notice of any meeting of members shall not be more than ninety (90) nor less than ten (10) days before the date of the meeting. If no record date is fixed, members at the close of business on the business day preceding the day on which notice is given or, if notice is waived, at the close of business on the business day preceding the day on which the meeting is held are entitled to notice of a meeting of members. A determination of members entitled to notice of a meeting of members shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting.

4.10.2. Vote. The record date for the purpose of determining the members entitled to vote at a meeting of members shall not be more than sixty (60) days before the date of the meeting. Such record date shall also apply in the case of an adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting. If no record date is fixed, members on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting of members or, in the case of an adjourned meeting, members on the day of the adjourned meeting who are otherwise eligible to vote are entitled to vote at the adjourned meeting of members.

4.10.3. Written Ballots. The record date for the purpose of determining the members entitled to cast written ballots shall not be more than sixty (60) days before the day on which the first written ballot is mailed or solicited. If no record date is fixed, members on the day the first written ballot is mailed or solicited who are otherwise eligible to vote are entitled to cast written ballots.

4.10.4. Other Lawful Action. The record date for the purpose of determining the members entitled to exercise any rights in respect of any other lawful action shall not be more than sixty (60) days prior to such other action. If no record date is fixed, members at the close of business on the day on which the Board adopts the resolution relating thereto, or the sixtieth (60th) day prior to the date of such other action, whichever is later, are, entitled to exercise such rights.

4.11 Election of Directors. Election of Directors shall take place at the annual meeting of the membership to be held in December or at such other time as the Board may designate. At least 20 days prior to the annual meeting, a ballot listing the name of each candidate for director and providing space for the name of one or more write-in candidates shall be sent in accordance with Section 4.4 hereof to each member of the Corporation in good standing. Ballots may be submitted for counting either in person at the annual meeting or by e-mail, facsimile, or first-class mail addressed to and received by the officer of the Corporation designated on the ballot prior to commencement of the annual meeting. Each ballot submitted for counting shall be placed by the voting member, or the designated officer, as the case may be, inside an envelope bearing the voting member's name. Once the good standing of the voting member is established, the ballot shall be separated from the envelope and counted without regard to the name of the voting member. Cumulative voting for the election of Directors shall not be authorized. The candidates receiving the most votes shall be elected Directors.

4.12 Conduct of Meetings. Meetings of members shall be presided over by the President of the Corporation, or in his or her absence, by the Vice-President, and in the absence of all of them, by the chairman chosen by a majority of the members present. The Secretary of the Corporation shall act as the secretary of all meetings of members, provided that in his or her absence the presiding officer shall appoint another member to act as Acting Secretary of the meeting.

## ARTICLE 5

### Board of Directors

5.1 Powers. Subject to the limitations of the Articles of Incorporation, of the Bylaws, and of the Nonprofit Corporation Law of the State of California as to action to be authorized or approved by members, and subject to the duties of Directors as prescribed by the Bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors. Without limiting the foregoing, the Board of Directors shall have the power to levy dues and assessments, to select and remove all officers, agents, employees and contractors, and to fix reasonable compensation therefor, to authorize and empower officers or agents to enter into contracts and other commitments on behalf of the Corporation, and to appoint and delegate responsibilities and authority to committees, officers and agents.

5.2 Number of Directors. The authorized number of Directors shall be fifteen (15), commencing January 1, 1995. For the period January 1, 1993 to December 31, 1994, the number of directors will exceed this limit. Commencing on January 1, 1993, five (5) new directors will be appointed annually to replace the outgoing directors, who will number more than five (5) until 1995. The number of directors shall remain as stated herein until changed by amendment of the Articles of Incorporation or by a Bylaw amending this section duly adopted by the affirmative vote of a majority of the votes represented and voting at a duly held meeting at which a quorum is present or by written ballot in accordance with Section 4.9.

5.3 Election and Term of Office. Each Director shall serve a three year term, which shall commence or end on January 1. One-third of the Directors shall be elected annually. The Board of Directors shall nominate candidates willing to serve. All members in good standing shall receive a ballot with the candidates' names in accordance with Section 4.11. The candidates receiving the most votes will replace the Directors leaving the Board. Write-in candidates may be elected. No Director may serve consecutive terms but a former Director may become a Director. All Directors shall hold office until their respective successors are elected.

5.4 Removal and Resignation. Any Director may be removed by vote of a majority of the Board of Directors at any regular or special meeting thereof, if such Director is absent from three out of four consecutive regularly scheduled meetings of the Board of Directors. Justification for such Director's absences should be considered in any vote to remove the Director.

Any Director may resign at any time by giving written notice to the Board of Directors, or to the President, or to the Secretary of the Corporation. Any such resignation shall take effect on 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.

5.5 Vacancies. Vacancies in the Board of Directors may be filled by vote of a majority of the remaining Directors then in office, though less than a quorum, and each Director so elected shall hold office until the end of the term of his or her predecessor. A vacancy or

vacancies shall be deemed to exist in the case of the death, resignation or removal of any Director, or if the authorized number of Directors be increased without election of the additional Directors so provided for, or in case the members fail at any time to elect the full number of authorized Directors. The members may at any time elect Directors to fill any vacancy not filled by the Directors. If any Director tenders his or her resignation to the Board of Directors, then the Board shall have the power to elect a successor to take office at such time as the resignation shall become effective. No reduction in the number of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office.

5.6 Ex Officio Directors. Ex officio Directors shall be entitled to attend and participate in all meetings of the Board of Directors of the Corporation, except as excluded by a majority vote of the Directors of the Corporation. Ex officio Directors shall be provided with notice of all meetings which they are eligible to attend in accordance with Section 5.11. Ex officio Directors are not entitled to vote as Directors, nor are they eligible to serve as officers of the Corporation.

5.6.1. Non-Members. The following persons shall be ex officio Directors of the Corporation and need not be members of the Corporation:

- (a) The sitting United States Trustee;
- (b) The sitting United States Bankruptcy Judges for the Southern District of California;
- (c) The Chief Clerk of the United States Bankruptcy Court of the Southern District of California; and
- (d) The webmaster of the Corporation's website.

5.6.2. Members. The following members of the Corporation shall be ex officio Directors of the Corporation: Members of the Corporation while they are serving as officers of or delegates to the Board of Directors of the California Bankruptcy Forum.

5.7 Place of Meetings. All meetings of the Board of Directors may be held at any place within or without the State of California, which has been designated from time to time by resolution of the Board or by the written consent of all of the Directors. In the absence of such designation, meetings shall be held at the principal office of the Corporation.

5.8 Organizational Meetings. Immediately following the annual meeting of members, the count of written ballots for the election of Directors or any special meeting of the members at which Directors shall have been elected, if any, and not less frequently than annually, the Directors shall hold a regular meeting for the purpose of organizing the Board, the election of officers and the transaction of such business as may come before the meeting. Pending such organization meeting, all officers of the Corporation shall hold over, except any officer required by law or these Bylaws to be a Director and who does not qualify as a Director. A Director elected at such meeting of members, if any, shall forthwith become a member of the Board of Directors for purposes of such organization meeting. In the event such an organization meeting

shall not be held immediately following such meeting of members, it shall thereafter be held at the next regular meeting, or after a special meeting.

5.9 Other Regular Meetings. Unless otherwise agreed by the Board, other regular meetings of the Board of Directors shall be held without call on the second Monday of each month except June at 5:30 p.m.; provided, however, should that day fall upon a legal holiday, then the said meeting shall be held at the same time on the next day thereafter ensuing which is not a legal holiday or at such other time and date as mutually agreed upon by the Board of Directors. Notice of all such regular meetings of the Board of Directors is hereby dispensed with.

5.10 Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President or by any two Directors.

5.11 Notice of Meetings. Notice of the time and place of each meeting of the Board of Directors not fixed by an express provision of the Bylaws shall be given to each Director not less than 48 hours before the date of the meeting if given personally or by e-mail, telephone, or fax and not less than four days before the date of the meeting if given by first-class mail.

5.12 Consent to Meetings. The transactions of the Board of Directors at any meeting however called and noticed or wherever held shall be as valid as though done at a meeting duly held after call and notice if a quorum be present and if either before or after the meeting each Director not present signs a written waiver of notice, or a consent to the holding of such meeting or approval of the minutes thereof, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

5.13 Action Without Meeting. If and when a majority of the Directors shall severally or collectively consent in writing to any action to be taken by the Corporation, such action shall be a valid corporate action as though it had been authorized at a meeting of the Board of Directors. Such consent shall be filed with the Corporation's records.

5.14 Telephonic Meetings. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Participation in a meeting through use of telephone or similar communications equipment shall constitute presence in person at such meeting.

5.15 Quorum. A majority of the Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or 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 be required by law or by the Articles of Incorporation. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

5.16 Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to meet again at another time or place. In the event

a meeting of the Board of Directors is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

5.17 Fees and Compensation. Directors shall not be compensated for serving on the Board of Directors. Directors shall be entitled to reimbursement of expenses incurred on behalf of the Corporation. Members of committees may receive such compensation, if any, for their services and such reimbursement for expenses as may be fixed or determined by vote of a majority of the Board of Directors; provided that such compensation shall be reasonable and shall be comparable to compensation paid by unaffiliated entities for a like position. Nothing herein shall be considered to preclude any Director from serving the Corporation in any other capacity, including as an officer, agent, employee or otherwise, and receiving compensation there for.

5.18 Nonliability of Directors. Subject to compliance with the provisions of Section 5.20 of these Bylaws, no Director shall be personally liable for the debts, liabilities or other obligations of this Corporation.

5.19 Indemnity. The Corporation shall have and hereby agrees to exercise the power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a Director, officer, employee or other agent (as defined in Section 317 of the California Corporations Code) of the Corporation, to the full extent allowed under the provisions of Section 7237 of the California Nonprofit Corporation Law relating to the power of a corporation to indemnify any such person. The amount of such indemnity shall be so much as the Board of Directors determines and finds to be reasonable, or, if required by said Section 7237, the amount of such indemnity shall be so much as the court determines and finds to be reasonable. If authorized by the Board of Directors, the Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers and directors against any liability asserted against or incurred by any officer or director in such capacity or arising out of the officer's or director's status as such.

5.20 Standard of Conduct. Pursuant to Section 7231 of the California Nonprofit Corporation Law, a Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

5.20.1. One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented;

5.20.2. Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or

5.20.3. A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence, provided, that in any such case, the Director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

5.21 Self-Dealing Contracts. As used in this section, a "self-dealing contract" is any contract or transaction (i) between this Corporation and one or more of its Directors, or between this Corporation and any corporation, firm or association in which one or more of the Directors has a material financial interest, or (ii) between this Corporation and a corporation, firm or association of which one or more of its directors are Directors of this Corporation. Such a Director is an "interested Director" for the purpose of this section. Pursuant to Section 7233 of the California Nonprofit Corporation Law, no self-dealing contract shall be void or voidable because such Director(s) or corporation, firm or association are parties or because such Director(s) are present at the meeting of the Board or committee which authorizes, approves or ratifies the self-dealing contract, if:

5.21.1. Membership Approval. All material facts are fully disclosed to or otherwise known by the members and the self-dealing contract is approved by the members in good faith (without including the vote of any membership owned by such interested Director(s)); or

5.21.2. Board or Committee Approval. All material facts are fully disclosed to or otherwise known by the Board or committee and the Board or committee authorizes, approves, or ratifies the self-dealing contract in good faith (without counting the vote of the interested Director(s)), and, in the case of a self-dealing contract described in (i) above, the Board or committee resolves and finds that the contract is just and reasonable at the time it is authorized, approved or ratified; or

5.21.3. Just and Reasonable Contract. The person asserting the validity of the self-dealing contract sustains the burden of proving that the contract was just and reasonable as to the Corporation at the time it was authorized, approved or ratified.

Interested Director(s) may be counted in determining the presence of a quorum at a meeting of the Board or a committee thereof which authorizes, approves or ratifies a contract or transaction as provided in this Section 5.21.

5.22 Voting by Proxy. No director may carry or vote a proxy for any other director not present at a meeting of the Board of Directors.

## **ARTICLE 6**

### Officers

6.1 Officers. The officers of this Corporation shall be a President, Vice-President, Secretary, Treasurer, and such other officers as the Board of Directors may appoint. Only Directors of this Corporation shall be eligible to serve as officers of this Corporation. Only a Director who has served at least one year of the Director's term shall be eligible to serve as

President of this Corporation. One person may hold two or more offices, except that the offices of President and Secretary shall not be held by the same person.

6.2 Election. The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Section 6.3 or Section 6.5, shall be chosen annually by the Board of Directors, and each shall hold his or her office until he or she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified.

6.3 Subordinate Officers. The Board of Directors may appoint and may empower the President to appoint such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

6.4 Removal and Resignation. Any officer may be removed, either with or without cause, by vote of a majority of the Board of Directors at any regular or special meeting thereof, or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors (subject, in each case, to the rights, if any, of an officer under any contract of employment). Good cause removal shall be presumed to exist if an officer is absent from three out of four consecutive regularly scheduled meetings of the Board of Directors, without justification.

Any officer may resign at any time by giving written notice to the Board of Directors, or to the President, or to the Secretary of the Corporation. 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.

6.5 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.

6.6 President. Subject to the control of the Board of Directors, the President shall have general supervision, direction and control of the business and affairs of the Corporation. He or she shall preside at all meetings of the members and Directors, shall serve as an ex officio member of all committees, and shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

6.7 Vice-President. In the absence or disability of the President, the Vice-President shall perform all of the duties of the President and in so acting shall have all of the powers of the President. The Vice-President shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

6.8 Secretary. The Secretary shall keep a full and complete record of the proceedings of the Board of Directors, shall make service of such notices as may be necessary or proper, shall supervise the keeping of the records of the Corporation, shall deliver the annual statement required by Section 9.7 to the members, and shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

6.9 Treasurer. The Treasurer shall receive and safely keep all funds of the Corporation and deposit them with such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall render to the President and Directors, whenever they request it, an account of all his or her transactions as Treasurer, and of the financial condition of the Corporation, and shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

## **ARTICLE 7**

### Committees

7.1 Appointment of Committees. The Board of Directors, by vote of a majority of Directors then in office, may appoint an Executive Committee and such other committees as the Board from time to time deems necessary or appropriate to conduct the business and further the objectives of this Corporation. The Executive Committee and any other committee having authority of the Board shall consist of two (2) or more Directors.

7.2 Powers and Authority of Committees. The Board of Directors may delegate to the Executive Committee or any other committee having the authority of the Board, any of the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, except the following:

7.2.1. The approval of any action for which the Nonprofit Corporation Law also requires the approval of members or approval of a majority of all members of a corporation.

7.2.2. The filling of vacancies on the Board or in any committee which has the authority of the Board.

7.2.3. The fixing of compensation of the Directors for serving on the Board or on any committee.

7.2.4. The amendment or repeal of Bylaws or the adoption of new Bylaws.

7.2.5. The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.

7.2.6. The appointment of committees of the Board or the members thereof.

## **ARTICLE 8**

### Corporate Advances

8.1 Corporate Advances. The Corporation may advance money to a Director or officer of the Corporation or of its parent, affiliate or subsidiary, for any expenses reasonably anticipated to be incurred in the performance of the duties of the Director or officer of the Corporation or of its parent, affiliate or subsidiary, provided that in the absence of such an

advance the Director or officer would be entitled to be reimbursed for these expenses by the Corporation, its parent, affiliate, or subsidiary.

## ARTICLE 9

### Miscellaneous

9.1 Fiscal Year. The fiscal year of the Corporation shall end on the last day of December of each year.

9.2 Inspection of Corporate Records. The books of account and minutes of the proceedings of members and Directors, and of any Executive Committee or other committees of the Directors, shall be open to inspection at any reasonable time upon the written demand of any member. Such inspection may be made in person or by an agent or attorney, and shall include the right to make photocopies and extracts.

9.3 Representation of Shares of Other Corporations. The President or any Vice-President and the Secretary or any Assistant Secretary of the Corporation are authorized to vote, represent and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation. The authority herein granted to said officers may be exercised by such officers in person or by other persons authorized to do so by proxy duly executed by such officers.

9.4 Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the Corporation and any and all securities owned by or held by the Corporation requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board of Directors.

9.5 Execution of Contracts. The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or agent to enter into any contract or execute any contract or execute any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances and unless so authorized by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount. Pursuant to Section 7214 of the Nonprofit Corporation Law, however, any such contract or instrument between the Corporation and any third person, when signed by the President or any Vice-President and the Secretary or any Assistant Secretary of the Corporation, shall be valid and binding upon the Corporation in the absence of actual knowledge on the part of said third person that the signing officers had no authority to execute the same.

9.6 Annual Report — When Required. Pursuant to Section 8321 of the California Nonprofit Corporation Law, as long as the Corporation receives more than Ten Thousand Dollars (\$10,000) in gross revenues or receipts during a fiscal year, the Board shall notify each member yearly of the member's right to receive an annual report, described below. Upon written request of a member, the Board shall promptly cause the most recent annual report to be sent to the requesting member. An annual report shall be prepared not later than one hundred twenty

(120) days after the close of the Corporation's fiscal year. Such report shall contain in appropriate detail the following:

9.6.1. A balance sheet as of the end of such fiscal year and an income statement and a statement of cashflows for such fiscal year.

9.6.2. A statement of the place where the names and addresses of the current members are located.

9.6.3. Any information required by Section 9.7 of these Bylaws.

The report required by this Section 9.6 shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

9.7 Annual Statement of Certain Transactions and Indemnifications. Pursuant to Section 8322 of the California Nonprofit Corporation Law, the Board of Directors shall cause an annual statement of certain transactions and indemnifications to be sent to its members, if any, and to the Directors not later than one hundred twenty (120) days after the close of the Corporation's fiscal year. If the Corporation issues an annual report to all members, this requirement shall be satisfied by including the required information, as set forth below, in said annual report. Such annual statement shall describe:

9.7.1. The amount and circumstances of any loans, guarantees, indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid or made during the fiscal year of the Corporation to any officer or Director of the Corporation; provided, that no such report need be made in the case of a loan, guarantee, or indemnification approved by the members or approved by the majority of the Directors then in office in accordance with Section 5.19 of these Bylaws; and

9.7.2. Any "covered transaction" (defined below) during the previous fiscal year of the Corporation involving (i) more than Fifty Thousand Dollars (\$50,000) or, (ii) which was one of a number of "covered transactions" in which the same "interested person" (defined below) had a direct or indirect material financial interest, and which transactions in the aggregate involved more than Fifty Thousand Dollars (\$50,000). The statement shall describe the names of any "interested persons" involved in such covered transactions, including such "interested person's" relationship to the Corporation, 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 the interested person is only a partner, only the interest of the partnership need be stated. For the purposes of this section, a "covered transaction" is a transaction in which the Corporation, or its parent or subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest:

(a) Any Director or officer of the Corporation, or its parent or subsidiary; or

(b) Any holder of more than ten percent (10%) of the voting power of the Corporation, or of its parent or subsidiary.

For purposes of this section, any person described in either subparagraph 9.7.2(a) or 9.7.2(b) above is an "interested person."

## ARTICLE 10

### Effective Date and Amendments

10.1 Effective Date. These Bylaws shall become effective immediately upon their adoption. Amendments to these Bylaws shall become effective immediately upon their adoption unless the Board of Directors or members of the Corporation, in adopting them provide that they are to become effective at a later date.

10.2 Amendments. These Bylaws may be amended or repealed and new Bylaws adopted by the vote of the majority of the members of the Board of Directors then in office upon proper notice, unless the action would (i) materially and adversely affect the rights of members as to voting, dissolution, redemption, or transfer; (ii) increase or decrease the number of members authorized in total or for any class; (iii) effect an exchange, reclassification or cancellation of all or a part of the memberships; or (iv) authorize a new class of membership; except that Bylaws affecting the following may be adopted, amended or repealed only by the affirmative vote of a majority of the votes represented and voting at a duly held meeting at which a quorum is present, or by written ballot pursuant to Section 4.9:

10.2.1. A Bylaw specifying or changing the number of Directors;

10.2.2. A Bylaw increasing the term of office of Directors;

10.2.3. A Bylaw increasing the quorum of members;

10.2.4. A Bylaw repealing, restricting creating or expanding proxy rights; and

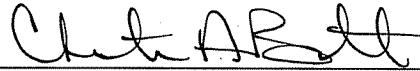
10.2.5. A Bylaw repealing or amending the right to cumulative voting.

Notwithstanding the foregoing, in the event that there are two or more classes of voting members, Bylaws may be adopted, amended or repealed in accordance with this Section 10.2; provided, that such adoption, amendment or repeal also requires approval by the members of a particular class if such action would (i) materially and adversely affect the rights, privileges, preferences, restrictions or conditions of that class as to voting, dissolution, redemption, or transfer in a manner different than such action affects another class; (ii) materially and adversely affect the rights, privileges, preferences, restrictions or conditions of such class as to voting, dissolution, redemption or transfer by changing the rights, privileges, preferences, restrictions or conditions of another class; (iii) increase or decrease the number of memberships authorized for such class; (iv) increase the number of memberships authorized by another class; (v) effect an exchange, reclassification or cancellation of all or a part of the memberships of such class; or (vi) authorize a new class of memberships.

CERTIFICATE OF AUTHENTICITY

I, the undersigned, do hereby certify:

1. That I am the Secretary of the San Diego Bankruptcy Forum.
2. That the foregoing Bylaws constitute the Bylaws of the said corporation as duly adopted by the Board of Directors this 12th day of March, 2007, at San Diego, California.



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Christin A. Batt  
Secretary