

**Northern California
Engineering Contractors Association, Inc.**
A California Nonprofit Mutual Benefit Corporation

Updated and Revised 12/19/06, 11-17-10, _____

BYLAWS

ARTICLE 1

General Provisions

SECTION 1. Name of Corporation. The name of this corporation is the Northern California Engineering Contractors Association, Inc. (“ECA”).

SECTION 2. Principal Offices. The principal office for the transaction of the activities and affairs of this corporation is located at 100 Apollo Way, Suite 100, Santa Rosa, Sonoma County, California. The board of directors may change the location of the principal office. Any such change of location must be noted by the secretary on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location. The board may at any time establish branch or subordinate offices at any place or places where this corporation is qualified to conduct its activities.

SECTION 3. Purpose. The primary and specific purposes of this corporation are:

- a) To establish and maintain high professional standards among construction contractors.
- b) To encourage sound business methods, efficient harmony and cooperation between construction contractors, tending to raise the standing of construction workers generally in the business world.
- c) To oppose unfair trade practices
- d) To promote better relations between all of the individuals and organizations with which construction contractors have business dealings
- e) To advocate, foster and promote construction legislation which will insure the sound development of our State
- f) To make membership in the ECA an assurance to the public of the skill, integrity and responsibility of its members, by requiring that those admitted to membership shall have established an honorable reputation on these fundamental points, and by making continuance of such membership in this Association depend upon the

- maintenance of such reputation, and upon fair dealings with its members and with the public and with the employees; and
- g) To promote and defend equitable labor practices between Management and Labor throughout the industry.

In furtherance of said primary purpose, this corporation shall be authorized to engage in any transaction related to those purposes set forth above with may from time to time be authorized or approved by the Board of Directors of this corporation.

Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of this corporation.

SECTION 4. Construction. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

ARTICLE 2

Members

SECTION 5. Membership. This corporation shall have two classes of members, designated as contractor and associate members. Any company dedicated to the purposes of the corporation and primarily engaged in work as a licensed contractor in the local engineering construction industry shall be eligible for membership as a contractor member. Any company dedicated to the purposes of the corporation and primarily engaged in the supply of goods and service to the local engineering construction industry shall be eligible for membership as an associate member. Otherwise eligible companies shall be eligible on approval of the membership application by the board and on timely payment of such dues and fees as the board may fix from time to time. The board of directors shall have sole discretion in determining whether a member qualifies as a contractor member or an affiliate member.

SECTION 6. Membership rights. All contractor and affiliate members shall have the right to vote, as set forth in these bylaws, on the election of directors, on the disposition of all or substantially all of the assets of the corporation, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the corporation. In addition, those members shall have all rights afforded members under the California Nonprofit Mutual Benefit Corporation Law. If the corporation is dissolved, those members shall receive a prorata distribution of all assets, exclusive of those held in charitable trust, remaining after payment or provision for payment of the obligations and debts of the corporation and provision for any other payment required under applicable law.

SECTION 7. Non-voting members. The corporation's board of directors may, in its discretion, admit individuals to one or more classes of nonvoting members; the class or classes shall have such rights and obligations as the board finds appropriate.

SECTION 8. Cooperating Members. This corporation shall have one class of nonvoting members designated as cooperating members. Individuals that are associated with and supportive of the local engineering construction industry shall be eligible for membership as a cooperative member. Cooperating members may be referred to as life, honorary, student, cooperating organization or public agency members.

SECTION 9. Nonvoting Members. This corporation may refer to persons of the cooperating member class or other persons or entities associated with it as "members," even though those persons or entities are not voting members as set forth in SECTION 6 of these bylaws, but no such reference shall constitute anyone as a member within the meaning of Corporations Code section 5056 unless that person or entity shall have qualified for a voting membership under Section SECTION 5 of these bylaws. References in these bylaws to "members" shall mean members as defined in Corporations Code section 5056; i.e., the members of the classes set forth in Section SECTION 5 of these bylaws. By amendment of its articles of incorporation or of these bylaws, the corporation may grant some or all of the rights of a member of any class to any person or entity that does not have the right to vote on the matters specified in SECTION 6 of these bylaws, but no such person or entity shall be a member within the meaning of Corporations Code section 5056.

SECTION 10. Dues, Fees and Assessments. Each member must pay, within the time and on the conditions set by the board, the dues, fees, and assessments in amounts to be fixed from time to time by the board. The dues, fees, and assessments shall be equal for all members of each class, but the board may, in its discretion, set different dues, fees, and assessments for each class.

SECTION 11. Good Standing. Members who have paid the required dues, fees, and assessments in accordance with these bylaws and who are not suspended shall be members in good standing.

ARTICLE 3

Termination and Suspension and Transfer of Membership

SECTION 12. Termination of Membership. A membership shall terminate on occurrence of any of the following events:

- (a) Resignation of the member;
- (b) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the board;
- (c) The member's failure to pay dues, fees, or assessments as set by the board within 30 days after the member is suspended for non-payment of dues, fees or assessments;

- (d) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications;
- (e) Death or dissolution of the member;
- (f) Termination of membership under SECTION 14 of these bylaws based on the good faith determination by the board, or a committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the corporation, or has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interests or has not, in the sole discretion of the board, practiced sound, fair and equitable labor practices.

All rights of membership cease on the member's death, suspension, termination, or dissolution.

SECTION 13. Suspension of Membership. A member may be suspended, under SECTION 14 of these bylaws, based on the good faith determination by the board, or a committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, has engaged in conduct materially and seriously prejudicial to the corporation's purposes and interests or is believed to have failed, in the sole discretion of the board, to practice sound, fair and equitable labor practices. A member shall be automatically suspended in the even the member fails to pay dues, fees, or assessments as set by the board within 90 days after they are due and payable

A person whose membership is suspended shall not be a member during the period of suspension.

SECTION 14. Procedure. If grounds appear to exist for suspending or terminating a member under SECTION 12 or SECTION 13 of these bylaws, the following procedure shall be followed:

- (a) The board shall give the member at least 15 days' prior notice of the proposed suspension or termination and the reasons for the proposed suspension or termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the corporation's records.
- (b) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered, by the board or by a committee or person authorized by the board to determine whether the suspension or termination should occur.
- (c) The board, committee, or person shall decide whether the member should be suspended, expelled, or sanctioned in any way. The decision of the board, committee, or person shall be final.

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

SECTION 15. Transfer of membership. A membership may be transferred to the surviving company in the event a member is merged or consolidated with another company, so long as the surviving or resulting company meets the qualifications set forth in SECTION 5 of these bylaws; provided, however, that no member may transfer a membership or any right arising from it for value. No non-voting membership, or right arising from a non-voting membership, may be transferred.

ARTICLE 4

Membership Meetings

SECTION 16. Annual Meeting. An annual meeting of members shall be held on the third Tuesday of November of each year at noon, unless the board fixes another date or time and so notifies members as provided in SECTION 19 of these bylaws. If the scheduled date falls on a legal holiday, the meeting shall be held on the next full business day. At the meeting, directors shall be elected and other proper business may be transacted, subject to SECTION 20 of these bylaws.

SECTION 17. Location of Meetings. Meetings of the members shall be held at any place within or outside California designated by the board or by the written consent of all members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, members' meetings shall be held at the corporation's principal office.

SECTION 18. Special Meetings. The board or, or the president, or 5 percent or more of the members, may call a special meeting of the members for any lawful purpose at any time.

A special meeting called by any person entitled to call a meeting (other than the board) shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the chairman of the board, if any, or the president or any vice president or the secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, under SECTION 27 of these bylaws, stating that a meeting will be held at a specified time and date fixed by the board, provided, however, that the meeting date shall be at least 35 but no more than 90 days after receipt of the request. If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held when the meeting is called by the board.

No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

SECTION 19. Notice. Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given, under SECTION 21 of these bylaws, to each member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting. For the annual meeting, the notice shall state the matters that the board, at the time notice is given, intends to present for action by the members. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given. Except as provided in SECTION 20 of these bylaws, any proper matter may be presented at the meeting.

SECTION 20. Notice of Certain Agenda Items. 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 or written waiver of notice states the general nature of the proposal or proposals:

- (a) Removing a director without cause;
- (b) Filling vacancies on the board;
- (c) Amending the articles of incorporation;
- (d) Electing to wind up and dissolve the corporation;
- (e) Approving a contract or transaction between the corporation and one or more directors, or between the corporation and any entity in which a director has a material financial interest; or
- (f) Approving a plan of distribution of assets, other than money, not in accordance with liquidation rights of any class or classes as specified in the articles or bylaws, when the corporation is in the process of winding up.

SECTION 21. Notice Requirements. Notice of any meeting of members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date. The notice shall be given either personally, by electronic transmission, or by first-class, registered, or certified mail, 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 as it appears on the books of the corporation or at the address given by the member to the corporation for purposes of notice. If no address appears on the corporation's books and no address has been so given, notice shall be deemed to have been given if either (i) notice is sent to that member by first-class mail or facsimile or other written communication to the corporation's principal office or (ii) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

Notice given by electronic transmission by the corporation shall be valid only if:

- (1) Delivered by (a) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the corporation; (b) posting on an electronic message board or network that the corporation has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be

- validly delivered on the later of the posting or delivery of the separate notice of it; or (c) other means of electronic communication;
- (2) To a recipient who has provided an unrevoked consent to the use of those means of transmission for communications; and
 - (3) That creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

Notwithstanding the foregoing,

- (1) An electronic transmission by this corporation to a member is not authorized unless, in addition to satisfying the requirements of this section, the consent to the transmission has been preceded by or includes a clear written statement to the recipient as to (a) any right of the recipient to have the record provided or made available on paper in non-electronic form, (b) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the corporation, and (c) the procedures the recipient must use to withdraw consent.
- (2) Notice shall not be given by electronic transmission by the corporation after either of the following: (a) the corporation is unable to deliver two consecutive notices to the member by that means, or (b) the inability so to deliver the notices to the member becomes known to the secretary or any other person responsible for the giving of notice.

An affidavit of the mailing of any notice of any members' meeting, or of the giving of such notice by other means, may be executed by the secretary, assistant secretary, or any transfer agent of the corporation, and if so executed, shall be filed and maintained in the corporation's minute book.

SECTION 22. Quorum. Five percent (5%) of the voting power shall constitute a quorum for the transaction of business at any meeting of members.

If, however, the attendance at any general or annual meeting, whether in person or by proxy, is less than one third of the voting power, the members may vote only on matters as to which notice of their general nature was given under SECTION 19 of these bylaws.

Except as otherwise required by law, the articles, or 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, even if enough members have withdrawn 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.

SECTION 23. Voting. Subject to the California Nonprofit Mutual Benefit Corporation Law, contractor and affiliate members in good standing on the record date as determined under SECTION 27 of these bylaws shall be entitled to vote at any meeting of members.

Voting may be by voice or by ballot, except that any election of directors must be by ballot if demanded before the voting begins by any member at the meeting.

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

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

SECTION 24. Waiver of Notice or Consent. The transactions of any meeting of members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after standard call and notice, if (a) a quorum is present either in person or by proxy, and (b) either before or after the meeting, each member entitled to vote, not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of the meeting except that, if action is taken or proposed to be taken for approval of any matter specified in SECTION 20 of these bylaws, the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

SECTION 25. Action by Unanimous Written Consent. Any action required or permitted to be taken by the members may be taken without a meeting, if all members consent in writing to the action. The written consent or consents shall be filed with the minutes of the meeting. The action by written consent shall have the same force and effect as a unanimous vote of the members.

SECTION 26. Action by Written Ballot. Any action that members may take at any meeting of members may also be taken without a meeting by complying with this section.

This corporation shall distribute one written ballot to each member entitled to vote on the matter. The ballots shall be mailed or delivered in the manner required by SECTION 21 of these bylaws. All solicitations of votes by written ballot shall (a) state the number of responses needed to meet the quorum requirement; (b) state, with respect to ballots other than for election of directors, the percentage of approvals necessary to pass the measure or measures; and (c) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (a) set forth the proposed action; (b) give the members an opportunity to specify approval or disapproval of each proposal; and (c) provide a reasonable time in which to return the ballot to the corporation. If the corporation has 100 or more members, any written ballot distributed to ten

or more members shall provide that, subject to reasonable specified conditions, if the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification.

In any election of directors, a written ballot that a member marks “withhold,” or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a director.

Approval by written ballot shall be valid only when (i) the number of votes cast by ballot (including 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 (ii) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

A written ballot may not be revoked.

All written ballots shall be filed with the secretary of the corporation and maintained in the corporate records for at least three (3) years.

SECTION 27. 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 of directors may, in advance, fix a record date. The record date so fixed for:

- (a) Sending notice of a meeting shall be no more than 90 nor less than 10 days before the date of the meeting;
- (b) Voting at a meeting shall be no more than 60 days before the date of the meeting;
- (c) Voting by written ballot shall be no more than 60 days before the day on which the first written ballot is mailed or solicited; and
- (d) Taking any other action shall be no more than 60 days before that action.

If not otherwise fixed by the board, the record date for determining members entitled to receive notice of a meeting of members shall be the next business day preceding the day on which notice is given or, if notice is waived, the next business day preceding the day on which the meeting is held. If not otherwise fixed by the board, the record date for determining members entitled to vote at the meeting shall be the day on which the meeting is held.

If not otherwise fixed by the board, the record date for determining members entitled to vote by written ballot shall be the day on which the first written ballot is mailed or solicited.

If not otherwise fixed by the board, the record date for determining members entitled to exercise any rights with respect to any other lawful action shall be the date on which the board adopts the resolution relating to that action, or the 60th day before the date of that action, whichever is later.

For purposes of SECTION 16 and SECTION 18 of these bylaws, a person holding a membership at the close of business on the record date shall be a member of record.

SECTION 28. Proxies. Each member entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person and filed with the secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy by the member or the member's attorney-in-fact, whether by manual signature, typewriting, telegraphic transmission, or otherwise. No proxies shall be permitted at the annual membership meeting.

If the corporation has 100 or more members, any form of proxy distributed to 10 or more members shall give the member an opportunity to specify a choice between approval and disapproval of each matter or group of related matters and, subject to reasonable specified conditions, shall provide that, when the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification. In an election of directors, any form of proxy that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote for the election of directors is withheld, shall not be voted either for or against the election of a director.

Any revocable proxy covering matters for which a vote of the members is required shall not be valid unless the proxy sets forth the general nature of the matter to be voted on. Such matters include amendments to the articles of incorporation; amendments to the articles or bylaws changing proxy rights; removal of directors without cause; filling vacancies on the board of directors; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all corporate assets unless the transaction is in the usual and regular course of the corporation's activities; the principal terms of a merger or the amendment of a merger agreement; the election to dissolve the corporation; contracts or transactions between the corporation and one or more directors or between the corporation and an entity in which a director has a material financial interest; or a plan of distribution of assets other than money to members when the corporation is in the process of winding up, when the distribution is not in accordance with liquidation rights of any class or classes.

No proxy shall be valid after the expiration of 11 months from the date of the proxy, unless provided otherwise in the proxy, except that the maximum term of a proxy shall be three years after the date of execution. The revocability of a proxy that states on its face that it is irrevocable shall be governed by Corporations Code section 7613. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect until either:

- (a) it is revoked by the member executing it before the vote is cast under that proxy,
 - (i) by a writing delivered to the corporation stating that the proxy is revoked,
 - (ii) by a subsequent proxy executed by that member and presented to the meeting, or
 - (iii) as to any meeting, by the member's personal attendance and voting at the meeting, or
- (b) written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote under the proxy is counted.

SECTION 29. Adjournment. 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 represented at the meeting, either in person or by proxy. No meeting may be adjourned for more than 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 corporation may transact any business that might have been transacted at the original meeting.

ARTICLE 5

Board of Directors

SECTION 30. General Powers of Board. Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws regarding actions that require approval of the members, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the board.

SECTION 31. Specific Powers of Board. Without prejudice to the general powers set forth in SECTION 30 of these bylaws, but subject to the same limitations, the board shall have the power to:

1. Appoint and remove, at the pleasure of the board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and require from them security for faithful service.
2. Change the principal office or the principal business office in California from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in or outside California for holding any meeting of members.
3. Borrow money and incur indebtedness on the corporation's behalf and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

SECTION 32. Board Composition. The board of directors shall consist of at least five (5) but no more than twenty-five (25) directors (in addition to the ex officio director, if any) unless changed by amendment to these bylaws. The exact number of directors shall be fixed, within those limits, by a resolution adopted by the board of directors. Directors must be employed by a contractor or affiliate member in good standing or must be a cooperating member in good standing. Board members will be elected for a term of one (1) year.

SECTION 33. Ex Officio Director. The executive vice president shall serve as an ex officio director of this corporation, for a term concurrent with his or her employment as executive vice president. The ex officio director will have all the rights of any director of this corporation, including the right to vote on any matter, unless otherwise provided in these bylaws.

SECTION 34. Annual Meeting of the Board. Immediately after each annual meeting of members, the board shall hold a general meeting for purposes of organization, election of officers, and transaction of other business. Notice of this meeting is not required.

SECTION 35. Special Meetings of the Board. Other general meetings of the board may be held without notice at such time and place as the board may fix from time to time.

Special meetings of the board for any purpose may be called at any time by the the president or any vice president, the secretary, or any two directors.

Notice of the time and place of special meetings shall be given to each director by (a) personal delivery of written notice; (b) first-class mail, postage prepaid; (c) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, 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) facsimile; (e) electronic mail; or (f) other electronic means. All such notices shall be given or sent to the director's address or telephone number as shown on the corporation's records.

Notices sent by first-class mail shall be deposited in the United States mails at least 4 days before the time set for the meeting. Notices given by personal delivery, telephone, electronic mail, or telegraph shall be delivered, telephoned, sent, or given to the telegraph company, respectively, at least 48 hours before the time set for the meeting.

The notice shall state the time of the meeting and the place, if the place is other than the corporation's principal office. The notice need not specify the purpose of the meeting.

SECTION 36. Quorum. A majority of the authorized number of directors shall constitute a quorum for the transaction of any business except adjournment. 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 an act of the board, subject to the more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, including, without limitation, the provisions on (a) approval of contracts or transactions between this corporation and one or more directors or between this corporation and any entity in which a director has a material financial interest, (b) creation of and appointments to committees of the board, and (c) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

SECTION 37. Location of Meetings. Meetings of the board shall be held at any place within or outside California 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 corporation.

SECTION 38. Meetings by Telecommunication. Any board meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if all of the following apply:

- (a) Each member participating in the meeting can communicate concurrently with all other members.
- (b) Each member is provided the means of participating in all matters before the board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.
- (c) The board has adopted and implemented a means of verifying both of the following:
 - (1) A person communicating by telephone, video screen, or other communications equipment is a director entitled to participate in the board meeting.
 - (2) All statements, questions, actions, or votes were made by that director and not by another person not permitted to participate as a director.

SECTION 39. Voting. Each director shall have one vote on each matter presented to the board of directors for action.

SECTION 40. Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

SECTION 41. 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 corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice to him or her.

SECTION 42. Action by Unanimous Written Consent. Any action that the board is required or permitted to take may be taken without a meeting if all board members consent in writing to the action. Such action by written consent shall have the same force and effect as any other validly

approved board action. All such consents shall be filed with the minutes of the proceedings of the board.

SECTION 43. Director Nominations. A nominating committee shall recommend a slate of directors to the board and shall make its report at least ten (10) days before the date of the election, or at such other time as the board may set. The secretary shall forward to each member, with the notice of meeting required by these bylaws, a list of all candidates nominated by the committee. The nominating committee shall consist of the immediate past president, who shall serve as the chairperson, the two presidents who held office immediately prior to the immediate past president, the president, vice-president, secretary, treasurer and executive vice president.

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

SECTION 44. Vacancies. A vacancy or vacancies on the board of directors shall occur in the event of (a) the death or resignation of any director, (b) the declaration by board resolution of a vacancy in the office of a director who has been declared of unsound mind by a court order, convicted of a felony, or, if the corporation holds assets in charitable trust, found by a final order or judgment of any court to have breached a duty arising under Corporations Code section 7238; (c) the vote of the members or, if the corporation has fewer than 50 members, the vote of a majority of all members, to remove any director(s); (d) an increase in the authorized number of directors; or (e) a failure of the members, at any meeting of members at which any director or directors are to be elected, to elect the number of directors required to be elected at that meeting.

SECTION 45. Resignation. Any director may resign by giving written notice to the president or the secretary of the corporation. 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 as of the date when the resignation becomes effective.

SECTION 46. Removal for Absence. Any director who does not attend three successive board meetings will automatically be removed from the board without board resolution unless:

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

SECTION 47. Vacancies Filled by Board. Vacancies on the board, including a vacancy created by the removal of a director, may be filled by approval of the board or, if the number of directors then in office is less than a quorum, by (1) the unanimous written consent of the directors then in

office, (2) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code section 7211, or (3) a sole remaining director.

The members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors.

SECTION 48. Reduction in Authorized Number of Directors. Any reduction of the authorized number of directors shall not result in any director being removed before his or her term of office expires.

SECTION 49. Compensation. Directors, officers, and members of committees of the board shall not receive compensation for their services as directors or officers or be entitled to reimbursement of expenses.

ARTICLE 6

Board Committees

SECTION 50. The board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more directors and no one who is not a director, to serve at the pleasure of the board. Appointments to committees of the board shall be by majority vote of the directors then in office. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the board, to the extent provided in the board resolution, except that no committee may:

- (a) Take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;
- (b) Fill vacancies on the board or any committee of the board;
- (c) Fix compensation of the directors for serving on the board or on any committee;
- (d) Amend or repeal bylaws or adopt new bylaws;
- (e) Amend or repeal any resolution of the board that by its express terms is not so amendable or repealable;
- (f) Create any other committees of the board or appoint the members of committees of the board; or
- (g) With respect to any assets held in charitable trust, approve any contract or transaction between this corporation and one or more of its directors or between this corporation and an entity in which one or more of its directors have a material financial interest, subject to the approval provisions of Corporations Code § 5233(d)(3).

SECTION 51. Pursuant to SECTION 50 of these bylaws, the board may appoint two or more directors of the corporation to serve as the executive committee of the board. The executive committee, unless limited by a resolution of the board, shall have and may exercise all the authority of the board in the management of the business and affairs of the corporation between meetings of the board; provided, however, that the executive committee shall not have the authority of the board in reference to those matters enumerated in SECTION 50. All actions of the executive committee shall be reported to and ratified by the full board at the next duly scheduled board meeting.

SECTION 52. Meetings and actions of committees of the board shall be governed by, held, and taken under the provisions of these bylaws concerning meetings and other board actions, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The board may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the board has not adopted rules, the committee may do so.

ARTICLE 7

Officers

SECTION 53. The officers of this corporation shall be a president, a vice-president, a secretary, and a treasurer. The corporation, at the board's discretion, may also have a chairman of the board, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed under SECTION 55 of these bylaws.

Any number of offices may be held by the same person.

SECTION 54. The officers of this corporation, except any appointed under SECTION 55 of these bylaws, shall be chosen annually by the board and shall serve at the pleasure of the board, subject to the rights of any officer under any employment contract.

SECTION 55. The board may appoint and authorize the chairman of the board, the president, or another officer to appoint any other officers that the corporation may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the bylaws or established by the board.

SECTION 56. Without prejudice to the rights of any officer under an employment contract, the board may remove any officer with or without cause. An officer who was not chosen by the board may be removed by any other officer on whom the board confers the power of removal.

SECTION 57. Any officer may resign at any time by giving written notice to the board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.

SECTION 58. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

SECTION 59. Responsibilities of Board Chair. The president shall act as chairman of the board of directors. The chairman shall preside at board meetings and shall exercise and perform such other powers and duties as the board may assign from time to time.

SECTION 60. Responsibilities of President. The president shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. The president shall preside at all members' meetings and at all board meetings. The president shall have such other powers and duties as the board or the bylaws may require.

SECTION 61. Responsibilities of Vice-Presidents. If the president is absent or disabled, the vice presidents, if any, in order of their rank as fixed by the board, or, if not ranked, a vice president designated by the board, shall perform all duties of the president. When so acting, a vice president shall have all powers of and be subject to all restrictions on the president. The vice presidents shall have such other powers and perform such other duties as the board or the bylaws may require.

SECTION 62. Responsibilities of Secretary. The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings, and actions of the board, of committees of the board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and, if special, how authorized; the notice given; the names of persons present at board and committee meetings; and the number of members present or represented at members' meetings.

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

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

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

SECTION 63. Responsibilities of Treasurer. The treasurer officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The treasurer shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these

bylaws, or by the board. The books of account shall be open to inspection by any director at all reasonable times.

The treasurer shall (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate; (ii) disburse the corporation's funds as the board may order; (iii) render to the president and the board, when requested, an account of all transactions as treasurer and of the financial condition of the corporation; and (iv) have such other powers and perform such other duties as the board or the bylaws may require.

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

ARTICLE 8

Transactions with Directors and Officers

SECTION 64. No director of this corporation nor any other corporation, firm, association, or other entity in which one or more of this corporation's directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this corporation, unless (a) the material facts as to the transaction and such director's interest are fully disclosed or known to the members and such contract or transaction is approved by the members in good faith, with any membership owned by any interested director not being entitled to vote thereon; or (b) the material facts regarding such director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all board members before consideration by the board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the board by a vote sufficient for that purpose without counting the vote of the interested director.

SECTION 65. This corporation shall not lend any money or property to, or guarantee the obligation of, any director or officer of the corporation or of its parent, affiliate, or subsidiary unless (a) the board decides that the loan or guaranty may reasonably be expected to benefit the corporation, and (b) before consummating the transaction or any part of it, the loan or guaranty is approved by either the members, without counting the vote of the director or officer, if a member, or the vote of a majority of the directors then in office, without counting the vote of the director who is to receive the loan or guaranty.

ARTICLE 9

Indemnification and Insurance

SECTION 66. To the fullest extent permitted by law, this corporation may indemnify its directors, officers, employees, and other persons described in Corporations Code section 7237(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. “Expenses,” as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the board by any person seeking indemnification under Corporations Code section 7237(b) or section 7237(c), the board shall promptly decide under Corporations Code section 7237(e) whether the applicable standard of conduct set forth in Corporations Code section 7237(b) or section 7237(c) has been met and, if so, the board may authorize indemnification. If the board cannot authorize indemnification, because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the board shall promptly call a meeting of members. At that meeting, the members shall determine under Corporations Code section 7237(e) whether the applicable standard of conduct has been met and, if so, the members present at the meeting in person or by proxy may authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under this section of these bylaws in defending any proceeding covered by this section may be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the corporation for those expenses.

SECTION 67. This corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer’s, director’s, employee’s, or agent’s status as such.

ARTICLE 10

Books and Records

SECTION 68. This corporation shall keep:

- (a) Adequate and correct books and records of account;
- (b) Written minutes of the proceedings of its members, board, and committees of the board; and
- (c) A record of each member’s name, address, and class of membership.

SECTION 69. Unless the corporation provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

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

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

If the corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this Section, it may deny the member access to the membership list.

Any inspection and copying under this Section may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts. This right of inspection extends to the records of any subsidiary of the corporation.

On written demand on the corporation, 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 of directors, and committees of the board 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 or attorney. This right of inspection extends to the records of any subsidiary of the corporation.

SECTION 70. This corporation shall keep at its principal California office the original or a copy of the articles of incorporation and bylaws, as amended to the current date, which shall be open to inspection by the members at all reasonable times during office hours. If the corporation has no business office in California, the secretary shall, on the written request of any member, furnish to that member a copy of the articles of incorporation and bylaws, as amended to the current date.

SECTION 71. Every director shall have the absolute right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

SECTION 72. The board shall cause an annual report to be prepared within 120 days after the end of the corporation's fiscal year. That report shall contain the following information in appropriate detail:

- (a) A balance sheet as of the end of the fiscal year, an income statement, and statement of changes in financial position for the fiscal year, accompanied by an independent accountants' report or, if none, by the certificate of an authorized officer of the corporation that they were prepared without audit from the corporation's books and records;
- (b) A statement of the place where the names and addresses of current members are located; and
- (c) Any other information required by these bylaws or by law.

This corporation shall annually notify each member of the member's right to receive a copy of the financial report under this Section. Except as provided in the next paragraph of this bylaw, on written request by a member, the board shall promptly cause the most recent annual report to be sent to the requesting member.

This Section shall not apply if the corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year.

SECTION 73. As part of the annual report to all members, or as a separate document if no annual report is issued, the corporation 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 120 days after the end of the corporation's fiscal year:

- (a) Unless approved by members under Corporations Code section 7233(a), any transaction (i) to which the corporation, its parent, or its subsidiary was a party, (ii) which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (iii) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material financial interest):
 - (1) Any director or officer of the corporation, its parent, or its subsidiary;
 - (2) Any holder of more than 10 percent of the voting power of the corporation, its parent, or its subsidiary.

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the corporation, the nature of their interest in the transaction, and, when practicable, the amount of that interest, except that, in a partnership in which such person is a partner, only the partnership interest need be stated.

- (b) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation under SECTION 65 of these bylaws, unless the loan, guaranty, indemnification, or advance has already been approved by the members under Corporations Code section 5034, or the loan or guaranty is not subject to Corporations Code section 7235(a).

ARTICLE 11

Amendment of Bylaws

SECTION 74. Subject to the members' rights under SECTION 6 of these bylaws, the board may adopt, amend, or repeal bylaws unless doing so would:

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

SECTION 75. If any provision of these bylaws requires the vote of a larger proportion of the board than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

SECTION 76. Without the approval of the members, the board may not adopt, amend, or repeal any bylaw that would:

- (a) Increase or extend the terms of directors;
- (b) Allow any director to hold office by designation or selection rather than by election by the members;
- (c) Increase the quorum for members' meetings;
- (d) Repeal, restrict, create, expand, or otherwise change proxy rights; or
- (d) Authorize cumulative voting.
- (e) Fix or change the authorized number of directors,
- (f) Fix or change the minimum or maximum number of directors, or

(g) Change from a fixed number of directors to a variable number of directors or vice versa.

SECTION 77. Any provision of these bylaws that requires the vote of a larger proportion of the members than otherwise is required by law may not be altered, amended, or repealed except by vote of that greater number. No amendment may extend a director's term beyond that for which the director was elected.

SECTION 78. Any provision of these bylaws providing for the designation or selection, rather than election, of any director or directors may be adopted, amended, or repealed only by approval of the members, subject to the consent of the person or persons entitled to designate or select any such directors.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Northern California Engineering Contractor's Association, a California nonprofit mutual benefit corporation; that these bylaws, consisting of 23 pages, are the bylaws of this corporation as adopted by the board of directors on _____; and that these bylaws have not been amended or modified since that date.

Executed on _____ at _____, California.

Name

Secretary