

**BYLAWS OF
ROTARY CLUB OF SCOTTS VALLEY**

1. Definitions. Except as otherwise specifically defined, words and phrases herein will have the meanings set forth in the Californian Nonprofit Corporation Law (**Governing Law**) and will govern the construction of these Bylaws.

2. Board of Directors

2.1 Powers. Except as otherwise lawfully limited or expanded by the Constitution of the Rotary Club of Scotts Valley (**Constitution**) as amended from time to time, or these Bylaws, the Board of Directors (**Board**) will have and exercise all authorities granted to a Board of Directors of a nonprofit mutual benefit corporation under Governing Law. Subject to Governing Law and except for any provisions of Governing Law which require approval of actions by the Members, the Club's activities and affairs will be managed, and all Club or other corporate powers will be exercised, by or under the direction of the Board.

2.2 Club Charges and Member Rules. Without limiting the Board's authority under Governing Law, the Board will determine and approve all dues, fees, or other charges payable by the Members to the Club (**Club Charges**), the dates such Club Charges are due and payable and all Member Rules.

2.3 Number of Directors. The Board will consist of at least eleven (11) but not more than fifteen (15) Directors as follows:

(a) The President, the President-Elect, the President-Nominee, the Secretary, the Treasurer, the Sergeant at Arms and the Past-President will be Directors.

(b) There will be at least two (2) but not more than four (4) **Even-Year Directors** which are at large directors appointed to two (2) year terms to take office in a year ending in an even number (i.e., 2016, 2018, 2020); and

(c) There will be at least two (2) but not more than four (4) **Odd-Year Directors** which are at large directors appointed to two (2) year terms to take office in a year ending in an odd number (i.e., 2015, 2017, 2019).

2.4 Qualifications for Directors. Each Director will be a Member who under these Bylaws is entitled to vote on a change in the Articles or Bylaws (**Voting Member**), except that no Voting Member will be appointed as a Director if such Voting Member as of the earlier of such Voting Member's nomination or appointment:

(a) has failed to pay in full all Club Charges or otherwise failed to cure an existing violation of Member Rules for which such Member has received notice from the Club;

(b) will serve as an At Large Director for more than four consecutive years as a result of such election or appointment; or

(c) has failed to meet any other specific standards adopted from time to time by the Board for holding the office of Director.

3. Meetings of Board of Directors

3.1 Place of Board Meetings. Meetings of the board will be held at any place that has been designated by resolution of the board or in the notice of the meeting or, if not so designated, at the location where meetings of the board are customarily held.

3.2 Annual and Other Meetings. Immediately after each annual meeting of members, the board shall hold a general meeting for purposes of organization and transaction other business. Notice of this meeting is not required.

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

3.3 Authority to Call Special Meetings. Special meetings of the board for any purpose may be called at any time by the president elect, the secretary, or any two directors.

3.4 Notice of Special Meeting. 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, or by electronic transmission; (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 mail at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic transmission shall be delivered, telephoned, or sent, respectively, at least 48 hours before the time set for the meeting.

3.5 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 any entity in which a director has a material financial interest and (b) 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.

3.6 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.

3.7 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 the adjourned meeting, to the directors who were not present at the time of the adjournment.

3.8 Action Without a Meeting. 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.

4. Terms of Office and Election of Board and Officers

4.1 Terms of Office. Except as otherwise provided herein, the term of office for each Director will be as follows:

<u>Office</u>	<u>Term</u>
President	One Year
President-Elect	One Year
President-Nominee	One Year
Past-President	One Year
Secretary	One Year
Treasurer	One Year
Sergeant at Arms	One Year
Odd-Year Directors	Two Years
Even-Year Directors	Two Years

4.1.1 Terms of office shall commence on July 1 and expire either on June 30 of the following year, or for Odd-Year Directors, on June 30 of the next odd-numbered year or, for Even-Year Directors, on June 30 of the next even-numbered year.

4.1.2 Upon the expiration of the President's term of office, the President-Elect shall automatically succeed to the office of President and the President shall succeed to the office of Past-President. Upon a vacancy in the office of President, the President-Elect shall automatically succeed to the office of President and serve both: (a) the remainder of the vacating President's term of office, and (b) the term of office as President that such President-Elect would have served had such President-Elect succeeded to the office of President upon the normal expiration of the vacating

President's term.

4.1.3 Upon the expiration of the President-Elect's term of office or vacancy therein, the President-Nominee will immediately ascend to the office of the President-Elect.

4.1.4 Each Director will serve for his or her term of office and until a successor director has been designated and qualified.

4.2 Appointment of Officers

4.2.1 President Nominee. At least three (3) months before the end of the fiscal year ending June 30 (**Rotary Year**) a nominating committee will select a Member to serve as President-Nominee for the next following Rotary Year. The nominating committee will be comprised of (a) the Past Presidents of the Club who are current Members of the Club and in good standing, and (b) current Members in good standing that have served as president of another Rotary Club and have been a Member of the Club for at least two (2) years at the time the nominating committee meets.

4.2.2 Appointment of Other Officers At least three (3) months before the end of the Rotary Year, the President Elect will appoint a Secretary, a Treasurer and a Sergeant at Arms to serve during the next Rotary Year and during the President Elect's term as President.

4.2.3 Appointment of Directors. At least one (1) month before the end of the Rotary Year, the President Elect will appoint at least two (2) but not more than four (4) Members in good standing to serve as the at large directors who will take office the following July 1.

5. Club Offices

5.1 Offices and Officers. The offices of this Club will be the President, the President-Elect, the President-Nominee, the Secretary, the Treasurer, and the Sergeant at Arms.

5.2 Officers

5.2.1 President. During the President's term of office, the President will: (a) serve as the chairman of the Board and chief executive officer of the Club; (b) preside at meetings of the Board and Members; (c) have such powers and perform such duties as the Board may establish or Governing Law may provide; and (d) supervise, direct and control the Club's activities, affairs and officers.

5.2.2 President-Elect. During the President-Elect's term of office, the President-Elect will perform all duties of the President, if the President is absent or otherwise unable to perform those duties, until the President returns or until the office of the President is declared vacant and until the President-Elect or other person assumes the office of President. When acting in the stead of the President prior to assuming such office, the President-Elect will have all powers and be subject to all restrictions of the President. The President-Elect will have such other powers and perform such other duties as the Board may establish or Governing Law may provide.

5.2.3 President-Nominee. During the President-Nominee's term of office, the President-Nominee shall perform all duties of the President-Elect, if the President-Elect is absent or otherwise unable to perform those duties, until the President-Elect returns or the office of the President-Elect is declared vacant and until the President-Nominee or other person assumes the office of President-Elect. When acting in the stead of the President-Elect prior to assuming such office, the President-Nominee will have all powers and be subject to all restrictions of the President-Elect.

The President-Nominee will have such other powers and perform such other duties as the Board may establish or Governing Law may provide.

5.2.4 Secretary. During the Secretary's term of office, the Secretary will:

- (a) serve as the Club's secretary as required under Governing Law as set forth in Section 7213 of the California Nonprofit Corporation Law;
- (b) give, or cause to be given, all publications and all notices of all General Meetings and meetings of the Board and of Committees that Governing Law require to be given;
- (c) keep or cause to be kept at the Club's principal office or such other place as the Board may direct:
 - (1) a book of minutes of all meetings, proceedings and actions of the Board, of Director Committees and of General Meetings, which minutes of meetings will include: (i) the time and place that the meeting was held; (ii) the type of meeting including whether the meeting was annual or special and, if special, how authorized, (iii) the notice given; the names of persons present at Board and Committee meetings; (iv) the number of Members present or represented at General Meetings;
 - (2) a copy of the Articles, the Constitution and these Bylaws, as amended, to date;
 - (3) the corporate seal, if any; and
 - (4) a record of the Club's Members showing each member's name, address, electronic address for Electronic Transmissions and whether such Member is a Voting Member;

5.2.5 Treasurer. During the Treasurer's term of office, the Treasurer will:

- (a) keep and maintain, or cause to be kept and maintained,

adequate and correct books and accounts of the Club's properties and transactions;

(b) send or cause to be given to the Members and Directors such financial statements and reports as are required to be given by the Board or Governing Law;

(c) permit or cause the books of account to be open to inspection by any Director at all reasonable times;

(d) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Club with such depositories as the Board may designate;

(e) disburse the Club's funds as the Board may order;

(f) render to the President and the Board, when requested, an account of all transactions as chief financial officer and of the financial condition of the Club; and

(g) have such other powers and perform such other duties as the Board may establish or Governing Law may provide.

5.2.6 Sergeant-At-Arms. The duties of the Sergeant-at-Arms will be such as are usually prescribed for such office and such other duties as may be prescribed by the president or the board of directors

6. Meeting of Members.

6.1 Annual Meeting. An annual meeting of members will be held on the first Monday of July of each year at 12:15 p.m., unless the board fixes another date or time and so notifies members as provided in these bylaws. If the scheduled date falls on a legal holiday, the meeting shall be held on the next Monday. At the meeting, proper business may be transacted.

6.2 Place of Meeting. Meetings of the members shall be held at any place within California designated by the board. In the absence of any such designation, members' meetings shall be held at the customary location of regular meetings.

6.3 Authority to Call Special Meetings. The board 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.

6.4. Calling Special Meetings. A special meeting called by any person entitled to call a meeting of the members shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the 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 6 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.

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

6.6 General Notice Requirements. Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given 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.

6.7. Quorum. Thirty (30) percent of the voting power shall constitute a quorum for the transaction of business at any meeting of members.

6.8. Eligibility to Vote. Voting Members in good standing on the date of the meeting will be entitled to vote at any meeting of members.

6.9. Manner of Voting. Voting may be by voice, ballot, or show of hands. 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, is required by the California Nonprofit Mutual Benefit Corporation Law or by the articles of incorporation.

7. Finances.

7.1. Fiscal Year. The fiscal year of the Club shall commence on 1 of a calendar year and end on June 30 of the following calendar year.

7.2. Budget. Within 60 days of the beginning of each fiscal year, the Board will approve a budget of estimated income and expenditures for the year, which shall stand as the limit of expenditures for these purposes unless otherwise ordered by Board action.

7.3. Interim Financial Statements Prior to each regular meeting of the Board, the Treasurer will prepare or cause to be prepared and distributed to the Directors, interim financial statements including a balance sheet, statement of receipts and disbursements and other reports as will reasonably reflect all Club income and expenses during the period since the prior interim financial statement and during the

fiscal year to date and comparing such to the approved budget.

7.4 Club Funds. All Club funds shall be deposited in one or more federally-insured financial institutions approved by the Board. All Club debts shall be paid by checks approved by the Board, signed by such person or persons authorized to do so by the Board.

8.0 Amendment to Bylaws.

New bylaws may be adopted or these bylaws may be amended or repealed by approval of the members.

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