

BYLAWS
OF
SAN JOSE DOWNTOWN PROPERTY OWNERS' ASSOCIATION

A California Nonprofit Mutual Benefit Corporation

ARTICLE 1
NAME

The name of this corporation shall be San Jose Downtown Property Owners' Association.

ARTICLE 2
OFFICES

Section 1 Principal Office. The principal office for the transaction of the business of the corporation ("principal executive office") is located at Santa Clara County, California. The Directors may change the principal office from one location to another. Any change of this location shall be noted by the Secretary on these Bylaws opposite this Section, or this Section may be amended to state the new location.

Section 2 Other Offices. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE 3
OBJECTIVES AND PURPOSES

The objectives of this corporation shall be to manage the implementation of the San Jose Downtown Property-Based Business Improvement District (the "PBID") and to do all things related to, incidental to, or in furtherance thereof.

ARTICLE 4
MEMBERSHIP

Section 1 Qualifications. Membership shall consist of all persons whose properties are assessed in the PBID (the "Members").

Section 2 Voting.

(a) Eligibility to Vote. Persons entitled to vote at any meeting of Members shall be regular Members as of the date determined in accordance with Section 5 of this Article, subject to the provisions of the California Nonprofit Corporation Law.

(b) Manner of Casting Votes. Voting may be by voice or ballot, provided that any election of Directors must be by ballot if demanded by any Member before the voting begins.

(c) Only Majority of Members Represented at Meeting Required, Unless Otherwise Specified. If a quorum is present, the affirmative vote of the majority of the Members

represented at the meeting, entitled to vote and voting on any matter (other than the election of Directors) shall be the act of the Members, unless a vote of a greater number is required by California Nonprofit Corporation Law, or by the Articles of Incorporation.

(d) Proportional Voting. Each Member's vote at any election of Directors shall be weighted in proportion to that Member's assessment amount in the PBID. Those candidates receiving the highest number of votes, up to the number of Directors to be elected, shall be winners of the election.

(e) Record Date for Notice of Voting. Unless fixed by the Board of Directors, the record date for determining those Members entitled to receive notice of, or to vote at, a meeting of the Members, shall be the next business day preceding the day on which notice is given.

Section 3 Quorum.

(a) Percentage Required. Fifty percent of the Members voting in that election or present shall constitute a quorum for the transaction of business of the Members.

(b) Loss of Quorum. The Members present at a duly called or duly held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

ARTICLE 5 DIRECTORS

Section 1 Powers.

(a) General Corporate Powers. Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the Articles of Incorporation and these Bylaws relating to action required to be approved by the Members, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised by, or under direction of, the Board of Directors.

(b) Specific Powers. Without prejudice to these general powers, and subject to the same limitations, the Directors shall have the power to:

(i) Select and remove all Officers, agents, and employees of the corporation; prescribe any powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these Bylaws.

(ii) Change the principal executive office or the principal business office in the State of California from one location to another; cause the corporation to be qualified to do business in any other state, territory, dependency, or country and conduct business within or outside the State of California; and designate any place within or outside the State of California for the holding of any Members' meeting or meetings, including annual meetings.

(iii) Adopt, make, and use a corporate seal; prescribe the forms of membership certificate; and alter the form of the seal and certificate.

(iv) Borrow money and incur indebtedness on behalf of the corporation 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 debts and securities.

Section 2 Number and Qualifications of Directors. The authorized number of Directors shall be eleven. The Directors shall include representatives from both the private sector and public sector who own property in and are concerned with the economic vitality of Downtown San Jose. There shall be seven Directors representing the property owners in PBID. These seven Directors shall all own or be the representative of a property owner in the PBID. There shall be one Director representing non-property owners. This Director shall be a business or tenant representative who either currently owns or is a representative of a business owner in the PBID. There shall be one Director representing residents. This Director shall reside and own residential property in the PBID. In addition, there shall be one Director representing the City of San Jose and one Director representing the City of San Jose Redevelopment Agency (collectively referred to as "the City Directors"). The City Directors shall be appointed by the San Jose City Council and not elected by the Members.

Section 3 Election and Term of Office of Directors. Members shall elect the Directors by a mailed ballot from a slate recommended by a nominating committee. The initial nominating committee shall consist of three Members who volunteer for this purpose and who shall not be candidates for the Board of Directors. Following the election of the initial Board of Directors, future nominating committees shall be appointed by the Board of Directors. Beginning with the election of the initial Board of Directors, three of the Directors shall be nominated for an initial term of one year expiring December 31, 2008, three shall be nominated for an initial term of two years expiring December 31, 2009, and remaining directors shall have a term of three years expiring December 31, 2010. Upon the expiration of each of the aforementioned terms, all Directors shall serve for a term of three years ending on January 1st of the specified year. A Director shall not be elected to more than two consecutive three-year terms; provided, however, that after completion of two consecutive three-year terms in office, a Director may be reelected to the Board after a lapse of one year. The aforementioned term limits shall not apply to the City Directors.

Section 4 Vacancies.

(a) Events Causing Vacancy. A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of the following:

- (i) The death, resignation, or removal of any Directors;
- (ii) The declaration by resolution of the Board of the Directors of a vacancy of the office of a Director who has been declared of unsound mind by order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under Section 5230 in following of the California Nonprofit Corporations Law;

(iii) The increase of the authorized number of Directors;

(b) Resignations. Except as provided in this paragraph, any Director may resign, which resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Directors unless a notice specifies a later time for the resignation to become effective. If the resignation of a Director is effective at a future time, the Board of Directors may elect a successor to take office as of the date when resignation becomes effective. No Director may resign when the corporation would then be left without a duly elected Director or Directors in charge of its affairs.

(c) Election by Board of Directors. Any vacancy occurring in the Board of Directors shall be filled by a majority of the remaining Directors, even if the majority of remaining Directors do not constitute a quorum, or a sole remaining Director. A Director elected to fill a vacancy in the Board of Directors shall serve for the duration of the unexpired term of his or her predecessor and until his or her successor is elected.

Section 5 Regular Meetings. Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the Board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the corporation. Notwithstanding the above provisions of this Section 5, a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all of the Board Members, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference, telephone, or similar communication equipment, so long as all Directors participating in meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

Section 6 Annual Meeting. Immediately following each annual meeting of such Members, the Board of Directors shall hold a regular meeting for the purpose of organization, election of Officers, and the transaction of other business. Notice of the meeting shall not be required.

Section 7 Other Regular Meetings. Other regular meetings of the Board of Directors shall be held without call at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without notice.

Section 8 Special Meetings.

(a) Authority to Call. Special meetings of the Board of Directors for any purpose may be called at any time by the President, the Secretary, or a majority of the serving Directors.

(b) Notice.

(i) Manner of Giving. Notice of the time and place of special meetings shall be given to each Director or by one of the following methods:

By personal or written notice;

By first-class mail, postage paid;

By telephone communication, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director; or

All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the corporation.

(ii) Time Requirements. Notices sent by first-class mail shall be deposited into a United States mailbox at least seven days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least four days hours before the time set for the meeting.

(iii) Notice Contents. The notice shall state the time and place for the meeting. However, it need not specify the purpose of meeting, or the place of the meeting, if it is to be held at the principal executive office of corporation.

Section 9 Quorum. A majority of the authorized number of Directors shall constitute a quorum for the transaction of business. 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. Subject to the provisions of the California Nonprofit Corporation Law, especially those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (ii) appointment of committees, and (iii) indemnification of Directors. 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 that meeting.

Section 10 Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11 Adjournment. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 12 Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of adjournment.

Section 13 Action without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all Members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 14 Fees and Compensation of Directors. Directors shall not receive compensation for their service on the Board of Directors. However, this Section 14 shall not be construed to preclude any Director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefore or from receiving reimbursement for reasonable expenses, as may be determined by resolution of the Board of Directors to be just and reasonable.

Section 15 Executive Committee. There shall be an Executive Committee of five members elected by the Board of Directors. At least one of the Executive Committee members shall be a City Director. Four of the Executive Committee members shall consist of the four Officers elected by the Board of Directors. The Executive Committee shall exercise such authority as delegated to it by the Board of Directors, except for the power to fill vacancies on the Board of Directors or to amend, repeal, or adopt Bylaws. The Executive Committee shall report on a regular basis, but no less frequent than once a quarter, to the Board of Directors.

Section 16 Audit and Compliance Committee. There may be a standing committee of the organization which shall be the Audit and Compliance Committee. The Audit and Compliance Committee shall consist of individuals appointed by the Board of Directors. The Secretary/Treasurer shall not serve on the Audit and Compliance Committee. The Board of Directors shall define the Committee's duties and responsibilities, provided that the Audit and Compliance Committee shall have those powers required to be exercised by such Committee under the California Nonprofit Integrity Act.

Section 17 Other Committees. The Board of Directors may establish and appoint a nominating committee or other additional committees as it deems necessary.

ARTICLE 6 OFFICERS

Section 1 Officers. The Officers of the corporation shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as may be appointed by the Board of Directors. Officers shall have powers and duties as specified herein and as may be additionally prescribed by the Board of Directors. Any number of offices, except those of President and Treasurer, may be held by the same person.

Section 2 Election of Officers. The Officers of the corporation, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board, subject to the rights, if any, of any Officer under any contract of employment.

Section 3 Subordinate Officers. The Board of Directors may appoint, and may authorize the President or another Officer to appoint any other Officers that the business of the corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined from time to time by the Board of Directors.

Section 4 Removal of Officers. Subject to the rights, if any, of any Officer under any contract of employment, any Officer may be removed, with out without cause, by the Board of Directors, at any regular or special meeting of the Board, or, except in case of an Officer chosen by the Board of Directors, by an Officer on whom such power or removal may be conferred by the Board of Directors.

Section 5 Resignation of Officers. Any Officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the Officer is a party.

Section 6 Vacancies in Offices. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that office.

Section 7 Responsibilities of Officers.

(a) President. If such an Officer be elected, the President shall preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time assigned to him by the Board of Directors or prescribed by the Bylaws.

(b) Vice President. The Vice President shall preside at meetings of the Board of Directors in the absence of the President, and exercise and perform such other powers and duties as may be from time assigned to him by the Board of Directors or prescribed by the Bylaws.

(c) Secretary. The Secretary shall attend to the following:

(i) Book of Minutes. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a Book of Minutes of all meetings and actions of Directors, committees of Directors, and Members, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, the number of Members present or represented at Members' meetings, and the proceedings of such meetings.

(ii) Membership Record. The Secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the Board of Directors, a record of the corporation's Members, showing the names of all Members, their addresses, and the class of membership held by each.

(iii) Notices, Seal, and Other Duties. The Secretary shall give, or cause to be given, notice of all meetings of the Members of the Board of Directors required by the Bylaws to be given. He shall keep the seal of the corporation in safe custody. He shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

(d) Treasurer. The Treasurer shall attend to the following:

(i) Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.

(ii) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors; 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 transactions as Treasurer and of the financial condition of the corporation; and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

(iii) Bond. If required by the Board of Directors, 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 his office and for restoration to the corporation of all its books, papers, vouchers, money, and other property of every kind in his possession of under his control on his death, resignation, retirement, or removal from office.

Section 8. Staff. The staff of the San Jose Downtown Association (the "SJDA") or any successor organization may manage the PBID and assist the Board of Directors and the Officers, and generally supervise, direct and control the business of the corporation. The Executive Director of the SJDA shall serve on the Board of Directors ex officio.

ARTICLE 7
INDEMNIFICATION OF DIRECTORS, OFFICERS,
EMPLOYEES, AND OTHER AGENTS

Section 1 Definitions. For the purpose of this Article,

(a) "Agent" means any person who is or was a Director, Officer, employee, or other agent of this corporation, or is or was serving at the request of this corporation as a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership,

joint venture, trust, or other domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, Officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of this corporation, or of another enterprise at the request of the predecessor corporation;

(b) "Proceeding" means any threatened, pending, or completed action or proceeding whether civil, criminal, administrative, or investigative; and

(c) "Expenses" includes, without limitation, all attorneys' fees, costs, and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of his position or relationship as agent and all attorneys' fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

Section 2 Successful Defense by Agent. To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Sections 3 through 5 shall determine whether the agent is entitled to indemnification.

Section 3 Actions Brought by Persons Other than the Corporation. Subject to the required findings to be made pursuant to Section 5 below, this corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, this corporation, or by an Officer, Director, or person granted related status by the Attorney General or by the Attorney General on the ground that the defending Director was or is engaging in self-dealing within the meaning of California Corporations Code section 5233, or by the Attorney General or a person granted related status by the Attorney General for any breach of duty relating to assets held in charitable trusts, by reason of the fact that such person is or was an agent of this corporation, for all expenses, judgments, fines, settlements, and any other amounts actually and reasonably incurred in connection with the proceeding.

Section 4 Action Brought by or on Behalf of the Corporation.

(a) Claims Settled Out of Court. If any agents settles or otherwise disposes of a threatened or pending action brought by or on behalf of this corporation, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other dispositions or for any expenses incurred in defending against the proceedings, unless it is settled with the approval of the Attorney General.

(b) Claims and Suits Awarded Against Agent. This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this corporation by reason of the fact that the person is or was an agent of this corporation, for all expenses actually and reasonably incurred in connection with the defense of the action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 5, below, must be made in the manner provided for in that Section; and

(ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent shall be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expense to be reimbursed.

Section 5 Determination of Agent's Good Faith Conduct. The above indemnification granted to an agent in Sections 3 and 4, above, is conditioned on the following:

(a) Required Standard of Conduct. The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he believed to be in the best interest of this of corporation, and with such care, including reasonable inquiry, as an ordinary prudent person in the like position would use in a similar circumstance. Determination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in the best interest of his corporation or that he had reasonable cause to believe that his conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe this his conduct was unlawful.

(b) Manner of Determination of Good Faith Conduct. The determination that the agent did act in a manner complying with paragraph (a), above, shall be made by:

(i) The Board of Directors by a majority vote on a quorum consisting of Directors who are not parties to the proceeding; or

(ii) The affirmative vote (or written ballot in accordance with Article V, Section 9) of a majority of the votes represented and voting at a duly held meeting of Members at which a quorum is present (which affirmative votes also constitute a majority of the required quorum); or

(iii) The court in which the proceeding is or was pending. Such determination may be made on application brought by this corporation or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney, or other person is opposed by this corporation.

Section 6 Limitations. No indemnification or advance shall be made under this Article, except as provided in Section 2 or 5(b)(iii), in any circumstance when it appears:

(a) That the indemnification or advances would be inconsistent with the provision of the Articles, a resolution of the Members, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, or which prohibits or otherwise limits indemnification; or

(b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 7 Advances of Expenses. Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 8 Contractual Rights of Non-Directors and Non-Officers. Nothing contained in this Article shall affect any right to indemnification to which persons other than Directors and Officers of this corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 9 Insurance. The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf any agent of the corporation against any liability other than for violating provisions against self-dealing asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this corporation would have the power to indemnify the agent against that liability under the provisions of this Section.

ARTICLE 8 RECORDS AND REPORTS

Section 1 Maintenance of Corporate Records. The corporation shall keep:

- (a) Adequate and correct books and records of accounts;
- (b) Minutes in written form of the proceedings of its Members, Board, and committees of the Board;
- (c) A record of its Members, giving their names and addresses and the class of membership held by each.
- (d) All such records shall be kept at the corporation's principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state.

Section 2 Members' Inspection Rights.

- (a) Any Member of the corporation may:
 - (i) Inspect and copy the records and Members' names and addresses and voting rights during usual business hours on five days' prior written demand on the corporation, stating the purpose for which the inspection rights are requested, or
 - (ii) Obtain from the Secretary of the corporation, on written demand and on the tender of the Secretary's usual charges for such a list, if any, a list of names and addresses of Members who are entitled to vote for the election of Directors, and their voting rights, as of the most recent record date for which that list has been compiled, or as of the date

specified by the Member after the date of demand. The demand shall state the purpose for which the list is requested. This list shall be made available to any such Member by the Secretary on or before the later of ten days after the demand is received or the date specified in it as the date by which the list is to be compiled; and

(b) Any Member of the corporation may inspect the accounting books and records and minutes of the proceedings of the Members and the Board and committees of the Board, at any reasonable time, for a purpose reasonably related to such person's interest as a Member.

(c) Any inspection and copying under this Section may be made in person or by an agent or attorney of the Member, and the right of inspection includes the right to copy and make extracts.

Section 3 Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the Articles and Bylaws as amended to date, which will be open to inspection by the Members at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California and the corporation has no principal business office in the state, the Secretary shall, on the written request of any Member, furnish to that Member, a copy of the Articles and Bylaws as amended to date.

Section 4 Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation in each of its subsidiary corporations. This inspection by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

Section 5 Annual Reports to Members.

(a) Not later than 120 days after the close of the corporation's fiscal year, the Board shall cause an annual report to be sent to the Members. Such report shall contain the following information in reasonable detail:

(i) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.

(ii) The principal changes in assets and liabilities, including trust funds, during the fiscal year.

(iii) Revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(iv) The expenses or disbursement of the corporation, for both general and restricted purposes during the fiscal year.

(v) Any information required by Section 6 of this Article.

(b) The report required by this Section shall be accompanied by any report thereon of independent accountants, or, by the certificate of an authorized Officer of the corporation that such statements were prepared from the books and records of the corporation.

Section 6 Construction and Definitions. 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 above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the corporation and a natural person.

ARTICLE 9 FISCAL YEAR

Section 1 Fiscal Year. The fiscal year of the corporation shall begin on the 1st day of July and end on the last of June in each year.

ARTICLE 10 AMENDMENTS

Section 1. Amendment by Directors. Subject to the rights of Members and the limitations imposed by California Nonprofit Corporation Law, the Board of Directors may adopt, amend, or repeal the Bylaws by an affirmative majority vote of the Board of Directors at which a quorum is present. A copy of the proposed amendment or new bylaws shall be included in the notice of meeting given to each Director.

