

**BYLAWS OF THE
SAN YSIDRO ECONOMIC IMPROVEMENT CORPORATION
CALIFORNIA PUBLIC BENEFIT CORPORATION**

**ARTICLE I
OFFICES**

SECTION 1. PRINCIPAL OFFICE

The principal office of the corporation for the transaction of its business is located in San Diego County, California and San Ysidro, at 663 E San Ysidro Blvd., San Ysidro, CA 92173

SECTION 2. CHANGE OF ADDRESS

The county of the corporation’s principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these Bylaws:

_____ Dated: _____, 20__.

_____ Dated: _____, 20__.

_____ Dated: _____, 20__.

SECTION 3. OTHER OFFICES

The corporation may also have offices as such other places, within or without the State of California where it is qualified to do business, as its business may require and as the Board of Directors may, from time to time, designate.

**ARTICLE II
PURPOSES**

SECTION 1. OBJECTIVE AND PURPOSES

The primary objective and purposes of this corporation shall be:

- a) To bring about the revitalization of San Ysidro and its surrounds.
- b) To bring about the investment of private and public capital within San Ysidro and its surrounds for public benefit and charitable purposes.
- c) To bring about the increased provision of quality public improvements and educational, cultural, artistic, charitable, and social services within San Ysidro and its surrounds for public benefit and charitable purposes.
- d) To bring about the increased economic well-being of residents, employees, and businesses within San Ysidro and its surrounds.
- e) To promote business improvement within San Ysidro and community through activities which contribute to the economic and neighborhood well-being of San Ysidro. Promotion of business includes, but is not limited to, those activities set out in the California Parking and Business Improvement Law and its successors which

are: general promotion of business activities in the area, the acquisition, construction or maintenance of parking facilities for the benefit of the area, decoration of any public places in the area, and furnishing of music in any public place in the area. Business improvements also include any other related activities, which will directly improve the economic prosperity of business within San Ysidro.

ARTICLE III ASSESSED, CHAMBER AND ASSOCIATE SUPPORTERS

SECTION 1. ASSESSED, CHAMBER AND ASSOCIATE SUPPORTERS

The broadest participation of business and resident community is desired by the corporation in effecting its objectives and purposes. To further this objective, the Bylaws establish the rules that follow:

- a) Holders of a valid and fully paid City of San Diego Business Tax Certificate for the San Ysidro Business Improvement District shall be eligible to appoint a representative for election as an Assessed Business Delegate. In absence of a written appointment of a different individual, the name appearing on valid San Ysidro Business Tax certificate shall be the business representative.
- b) For-profit and non-profit businesses and organizations located in the San Ysidro Business Improvement District which are exempt from the payment of Business Tax in the San Ysidro Business Improvement District shall be eligible to appoint a representative for election as a Chamber Delegate.

Eligibility shall be conditional on payment of an amount as determined by the member and outlined on Attachment A (Chamber Membership Levels).

- c) The Directors shall annually select or appoint Assessed Business Delegates and Chamber Delegates. The Directors shall request from the City of San Diego a list of holders of a valid and fully paid City of San Diego Business Tax Certificate for the San Ysidro Business Improvement District as of the last day of April each year. All listed holders of a valid and fully paid City of San Diego Business Tax Certificate for the San Ysidro Business Improvement District shall be eligible for selection as business delegates at the May meeting of the Directors. All Chamber Delegates whose term is valid as of the last day of April shall be eligible for selection as business delegates at the May meeting of the Directors. A majority vote of the Directors shall appoint eligible Assessed Business Delegates and Chamber Business Delegates as Delegates. Assessed Business Delegates and Chamber Business Delegates shall thereafter be treated the same and referred to as "Delegates" for a term ending after the Annual meeting.
- e) The Directors may, at any time during the remainder of the fiscal year, reappoint delegates to conduct meetings of the delegates, support activities of the corporation, address concerns of San Ysidro businesses, or for any other purpose. Should delegate reappointment be required, then the Directors will follow a reasonably similar process to verify Assessed and Chamber Businesses eligibility status and their representative's appointment. The appointment of delegates, necessity for meeting of delegates for balloting by delegates may be placed on the Directors next regular agenda by a petition signed by ten percent (10%) of the number of delegates appointed for the last annual meeting or ten percent (10%) of the number of current Assessed Businesses Tax Certificate holders at the time of the petitions submission, whichever is less.

SECTION 2. MEMBERS IN GENERAL

- a) This Corporation shall have no members, as the term is defined in section 5056 of the California Nonprofit Corporation Law. Unless otherwise provided herein or in the California Nonprofit Public Benefit Corporation Law, any action which would otherwise require approval by a majority of all members shall require only approval of the Board of Directors. All rights, which would otherwise vest in the members, shall vest in the Board of Directors. Nothing in these bylaws shall be construed as limiting the right of the Corporation to refer to person associated with it, who participates in any activities of the Corporation, as "members" even though such persons are not members, as defined in section 5056 of the California Corporations Code. Such Persons

shall be deemed to be associated persons with respect to the corporation as that term is defined in section 5332 of the California Nonprofit Public Benefit Corporation Law, and no such reference shall constitute anyone a member of this Corporation.

- b) "Delegates" are not members nor are they vested in any rights other than provided by majority action of the Directors. The Board of Directors shall elect new Directors and anything in these bylaws which gives the appearance of incidence of membership is merely an accommodation to promote community participation.

ARTICLE IV ELECTION OF DIRECTORS

(Entire Article Amended 10/24/00, with additional changes as of 10/28/08)

- a) On establishing the Corporation in 1999, through an open participatory process on the part of the eligible business membership, the original intent was to elect directors who would hold two-year terms commencing in July of the year elected, and further, with fifteen directors, to stagger the terms, such that a combination of seven or eight directors would be elected annually. In 2008, the Corporation has changed the term of directors from two to four years on a phased basis commencing with the June 2009 election, as follows:
- 1) For the 2008 election, the ten directors elected hold two-year terms, per the adopted Election 2008 Policy Procedures and Calendar.
 - 2) For the 2009 election, the five seats up for election will be for three-year terms (to 2012).
 - 3) For the 2010 election, the ten seats up for election will be subdivided as follows: eight for four-year terms (to 2014) and two for two-year terms (to 2012), with selection determination made by highest vote count.
 - 4) For the 2012 election, the seven seats up for election will be for four-year terms (to 2016).
 - 5) For the 2014 election, eight seats up for election will be for four-year terms (to 2018).

Intent is to hold elections at two-year intervals reflecting seven and eight seats, respectively. As of the 2018 elections, as a result of the Corporations increase of events and Chamber Supporting Members, election candidates shall be divided between Assessed Delegates and Chamber Supporting Delegates. The Election Committee shall ensure that the number of Directors elected from each type of delegates ensures the resulting Board of Directors reflects the same ratio of Assessed: Chamber Supporting delegates.

- b) Each March, corresponding to an election year, as described above, the Board of Directors will review the election process with respect to the number of seats, which will become vacant as of June 30th. Consistent with Section 5513 of the California Corporations Code, this election will be conducted by written ballot available to all eligible business members ("Delegates"), with results of this election to be ratified at the June Annual Meeting.
- c) At the April Board Meeting, the President announces the appointment of a Nominating Committee.
- d) After the April Board Meeting and before the May Board Meeting:
- 1) A list of holders of valid/fully paid Business Tax Certificates will be obtained as of April 30th, holders of which are eligible: to nominate candidates (including self-nominations), vote by written ballot, and vote at the Annual Meeting; and
 - 2) Secretary will send by first class mail a notice of election to all eligible San Ysidro business members. This mailing will consist of the notice of election, nomination forms and other materials. Nomination forms must be returned to the office by the nearest business day corresponding to May 15th (not a Sunday or Monday) by hand or with post mark no later than the date prior.
- 1) At the May Board Meeting:
- 1) Secretary reports to Directors on all businesses eligible to vote by ballot at the Annual Meeting, and, in conjunction with the Nominating Committee, reports to the Directors of the results from nomination solicitation;
 - 2) The Nominating Committee continues their report, such that additional nominations may be made, including from the floor, provided that the nominee so named is a business in good standing;

- 3) The Directors vote to close nominations, adopt a slate of candidates, and order preparation of a written ballot; and
 - 4) The Directors appoint an Election Committee, to include the Secretary and an outside inspector of elections providing for his/her compensation, if any.
- f) After May Board Meeting and before June Combined Regular and Annual Meeting:
- 1) The Secretary and the Nominations Committee, jointly, will send by first class mail to all eligible business members the following documents:
 - *a written ballot which lists Candidates for the Board of Directors; to be counted, this ballot must be returned in the envelope provided in which the corresponding business tax certificate number has been affixed on the part the voter; this ballot must be received in the office on June 15th (or nearest business day, not a Sunday or Monday) by hand or by postmark; and, in order to insure confidentiality, a color-coded two envelope system will be employed;
 - *report of the Nominations Committee presented the May Board Meeting; and
 - *notice of date of Annual Meeting in June, including other proposals to be submitted to the business membership; said Annual Meeting to be conducted in conjunction with the regular June Board Meeting.
 - 2) The Elections Committee will meet immediately after the ballots have been received, that is on the first business day following the return ballot deadline, to tabulate and authenticate voting results. In the case of a tie vote that may impact the election result, the Election Committee will recommend that seat selection be determined by coin toss (*amended 9/25/07*).
- g) At the June Combined Regular and Annual Meeting
- 1) The Directors will consider the report of the Elections Committee, including, if applicable, to break any tie vote by coin toss, and elect new Directors by majority vote (*amended 9/25/07*).
 - 2) The Directors vote will then be put to the business members/delegates present for ratification. Such delegates present may only vote personally and not by proxy.
 - 3) Other matters that may have been presented to the membership, arising from the general membership May mailing, will be considered by the assembled body.

ARTICLE V

DIRECTORS (*amended 11/25/08*)

SECTION 1. NUMBER and QUALIFICATIONS

- a) The corporation shall have a minimum of eleven (11) and a maximum of twenty-five (25) Directors and collectively they shall be known as the Board of Directors. The number may be changed by a majority vote of the Board of Directors, amendment of or by repeal of this Bylaw and adoption of a new Bylaw, as provided in these Bylaws. Directors must be the designated representative of a business operated in San Ysidro which has a current and fully paid City of San Diego Business Tax Certificate or has paid an amount equivalent to Business Improvement District fees to the corporation, under rules established by written policy of the Directors. Directors shall be qualified as delegates at the time of nomination and election.
- b) The original intent of the Corporation to elect fifteen Directors for two-year terms on a staggered basis having been satisfied, the Corporation in 2008 has extended the terms of directors elected from two to four-years, on a staggered phased basis. The goal is to maintain a fifteen-person Board of Directors each holding four-year terms, with elections for seven or eight seats, respectively, in succeeding years once fully implemented with the 2014 election.
- c) Once the revised election schedule is fully implemented, it is recommended that each new candidate for election for a four-year term participate in at least one prior Board or committee meeting prior to the election.

- d) Eligibility for Directors may be term limited.

SECTION 2. POWERS

Subject to the provisions of the California Nonprofit Public Benefit Corporation law, and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the members, if any, of this corporation, the activities and affairs of this corporation shall be conducted, and all corporate powers shall be exercised by or under the direction of the Board of Directors.

SECTION 3. DUTIES

It shall be the duty of the Directors to:

- a) Perform all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws;
- b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation;
- c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly;
- d) Meet at such times and places as required by these Bylaws;
- e) Register their addresses with the Secretary of the corporation and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

SECTION 4. TERMS OF OFFICE (*amended 11/25/08*)

- a) Each Director shall hold office for the term elected to the Board of Directors as specified in these Bylaws, and until his or her successor is elected and qualifies.
- b) Once the revised election schedule is fully implemented in 2014, Directors shall be elected for four-year terms. Terms of Directors shall normally end at the June Annual Meeting of the year corresponding to the expiration date of the particular director.

SECTION 5. COMPENSATION

Directors shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in attending Directors meetings, only after adoption of a written Board reimbursement of expenses incurred in the performance of their regular duties as specified in Section 3 of this Article. Directors may not be compensated for rendering services to the corporation in any capacity other than the Director unless such other compensation is reasonable and id allowable under the provisions of Section 6 of this Article.

SECTION 6. RESTRICTION REGARDING INTERESTED DIRECTORS

Notwithstanding any other provision of these Bylaws, no more than forty-nine percent (49%) of the persons serving the Board may be interested persons. For purpose of this section, "interested persons means either.

- a) Any person currently being compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director; or
- b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in law, mother-in-law, or father-in-law of any such person.

SECTION 7. PLACE OF MEETINGS

Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board or at such place within or without the State of California, which has been designated from time to time, by resolution of the Board of Directors. In absence of such designation, any meeting not held at the principal office of the corporation shall be valid only if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the corporation or after all. Board members have been given written notes of the meetings hereinafter provided for special meetings of the Board. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so if all Directors participating in such meeting can hear one another.

SECTION 8. REGULAR AND ANNUAL MEETINGS (Section amended 10/24/00)

- a) Regular meetings of Directors shall be held the fourth of Tuesday of each month at 11:00 AM, unless such day falls on a legal holiday, in which event the regular meeting shall be held the same hour and place the next business day.
- b) Annual meetings of the corporation shall be held the fourth Tuesday of June of each year at San Ysidro, California, as may be designated by the Board of Directors in a notice of such meeting given. The election of directors shall take place at the annual meeting in accordance with Article IV.

SECTION 9 SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the President, the Vice President, the Secretary, or by any two Directors, and such meetings shall be held at the place, within or without the State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

SECTION 10. NOTICE OF MEETINGS

At least 72 hours before a regular or special meeting of the Board, the agenda containing a brief general description of each agenda item shall be posted. The agenda shall provide notice of the date, time, and location of the meeting. The agenda shall be posted in a place freely accessible to the general public (*amended 9/25/07*).

SECTION 11. WAIVER OF NOTICE AND CONSENT TO HOLDING MEETINGS

The transactions of any meeting of the Board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, of approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

SECTION 12 QUORUM FOR MEETING

A quorum shall consist of a majority of the Board of Directors.

Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a quorum, as herein after defined, is not present, and the only motion which the Chair shall entertain as such meeting is a motion to adjourn. However, a

majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the board.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meetings or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this corporation.

SECTION 13. MAJORITY ACTION AS BOARD ACTION

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 is the act of the Board of Directors, unless the Articles of Incorporation or Bylaws of this corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions related to appointment of committees (Section 5212), approval of contracts or transactions in which a Director has a material financial interest (Section 5233) and indemnification of Directors (Section 5238 e), require a greater percentage of different voting rules for approval of a matter by the Board.

SECTION 14. CONDUCT OF MEETING

Meetings of the Board of Directors shall be presided over by Chairperson of the Board, or, if no such person has been designated or in his or her absence, the President the corporation or, in his or her absence, by the Vice President of the corporation, in the absence of each of these persons, by a Chairperson chosen by a majority of the Directors present at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by Robert Rules of Order; as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with provision of law.

SECTION 15. ACTION BY TWO THIRDS WRITTEN CONSENT WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if two-thirds of the member of the Board shall individually or collectively consent in writing to such action. For the purpose of this section only "all members of the Board" shall not include any "interested Director" as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the majority vote of Directors. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the Bylaws of this corporation authorize the Directors to so act, and such statement shall be prima facie evidence of such authority.

SECTION 16. VACANCIES (Entire section amended 3/27/01, with further revisions 11/25/08)

Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any Director, and (2) whenever the number of authorized Directors is increased.

The Board will automatically remove any Board member who misses a total of four regularly scheduled or special Board meetings, within one corporation fiscal year. The Board can make exceptions to this policy for Board members for business reasons or due to family or health issues. Such "excused absences" which may be an exception to the four-absent meeting rule shall be presented in writing to the Organization Committee once the affected Board member becomes aware of the potential duration of absences. The Organization Committee will act upon such written requests and bring before the full Board a recommendation as to how many absences, if any, are to be excused, and that excused absences must be made up by attendance of Board members at a committee meeting of which they are not a member. Should the Board choose to reinstate the Director in question, only one reinstatement will be permitted during that Director's four-year term, once the new four-year term election schedule is fully implemented.

The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

If this corporation has no members, Director may be removed without cause by a two-thirds majority of the Directors then in office.

Any Director may resign effective upon giving written notice to the President, the Secretary, or the Board of Directors, unless this notice specifies a later time for the effectiveness.

Vacancies on the board 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 pursuant to notice or waivers of notice complying with this Article of these Bylaws, or (3) a sole remaining Director.

On filling a vacancy priority shall go to selection of the next candidate's name in vote order received from the immediate past election ballot. On being selected to serve as a Director, this person will hold the seat for the remainder of the term of the person they are replacing. In the case of any person selected whose name did not appear on the immediate past election ballot, he/she will be selected to hold office until the next annual election.

In this manner, a person elected to fill a vacancy as provided by this Section shall hold office until expiration of the term for which selected, as per the preceding paragraph, or until death, resignation or removal from office.

SECTION 17. NON-LIABILITY OF DIRECTORS

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

SECTION 18. INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

To the extent that a person who is, or was, a Director, officer, employee or other agent of this corporation has been successful on the merits in defense if any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claims or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation by only to the extent allowed by, and in accordance with the requirement of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

SECTION 19. INSURANCE FOR CORPORATE AGENTS

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director, officer, employee) against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of California Nonprofit Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent's such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

SECTION 20. CONFLICT OF INTEREST (Section added 2/27/01)

Intent is to comply with California Corporation Code, Sections 7230 through 7238, all applicable laws concerning 501© (6) non-profit corporations, and additionally to take all necessary steps to avoid even the appearance of a conflict of interest situation, such that if a director has a direct, personal financial interest, that is material, \$500 gained or lost, is a specific board action under consideration: 1) he/she must so disclose in advance of any discussion on the matter, 2) physically remove him/herself from the meeting table, and 3) abstain from any board vote on the specific matter.

ARTICLE VI OFFICERS

SECTION 1. NUMBER OF OFFICERS

The officers of the corporation shall be a President, a Vice President, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The corporation may also have determined by the Board of Directors, a Chairperson of the Board, Vice President, Assistant Secretaries, Assistant Treasurer, and other officers. The same person may hold any number of offices except that neither the Secretary nor the Treasurer may server as the President or Chairperson of the Board.

SECTION 2 QUALIFICATION, ELECTION, AND TERM OF OFFICE

Any person may serve as officer of this corporation. Officers shall be elected by the Board of Directors, at any time, and each officer shall hold office until he or she resign or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurred first.

SECTION 3. SUBORDINATE OFFICERS

The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

SECTION 4. REMOVAL AND RESIGNATION

The Board of Directors may remove any officer, either with or without cause, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

SECTION 5. VACANCIES

Any vacancy caused by death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices or officers appointed at the discretion of the Board may or may not be filled as the board shall determine.

SECTION 6. DUTIES OF PRESIDENT

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, but the Articles of Incorporation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairperson of the Board of Directors, he or she shall preside at all meetings of the Board of Directors. If applicable, the President shall preside at all meetings of the members. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments, which may from time to time be authorized by the Board of Directors.

SECTION 7. DUTIES OF VICE PRESIDENT

In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions on the President. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

SECTION 8. DUTIES OF SECRETARY

The Secretary shall:

Certify and keep at the principal office of the corporation the original or a copy of these bylaws as amended or otherwise altered to date.

Keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and if applicable, meeting of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

Be custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law of these Bylaws.

Keep at the principal office of the corporation a membership book containing the name and address of each and any member, and, in the case where any membership has been terminated, he or she shall record such facts in the membership book together with the date on which such membership ceased.

Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney on request therefor, the Bylaws, the membership book and the minutes of the proceeding of the Directors of the corporation. San Ysidro businesses shall have similar rights of inspection as provided by action of the Directors.

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

SECTION 9. DUTIES OF TREASURER

Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds" the Treasurer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.

Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

Disburse, or cause to be disbursed, the funds of the corporation's as many be delivered by the Board of Directors, taking proper vouchers for such disbursement.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses

Exhibit at all reasonable times the book of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request therefore. San Ysidro businesses shall have similar rights of inspection as provided by action of the Directors.

Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial conditions of the corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

SECTION 10. COMPENSATION

The salaries of the officers, if any, shall be fixed from time to time by resolution of the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the facts that he or she is also a Director of the corporation, provided, however, that such compensation paid a Director for serving as an officer of this corporation shall only be allowed if permitted under other provisions of these Bylaws. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered for the corporation which relate to the performance of the charitable or public purposes of this corporation.

ARTICLE VII COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE (also known as Organization Committee) (Amended 11/27/07)

The Board of Directors will by a majority vote of directors, designate the four heretofore delineated elected officers to constitute an Organization Committee, which will function as an Executive Committee, and delegate to such Committee any of the powers and authority of the Board in the management of the business and affairs of the corporation, except with respect to:

- a) The approval of any action which, under law or the provisions of these Bylaws, requires the approval of the members of a majority of all of the members.
- b) The filling of vacancies on the Board or on any committee which has the Authority of the Board.
- c) The fixing of compensation of the Directors for serving on the Board or on any;
- d) The amendment or repeal of Bylaws or the adoption of new Bylaws.
- e) The amendment or repeal or any resolution of the Board which by its express terms is not so amendable or repeatable.
- f) The appointment of committees of the Board of members thereof.
- g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.
- h) The approval of any transaction to which this corporation is a party and in which one or more of the Directors has a material financial interest, except as expressly provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

By a majority vote of its members then in office, the Board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the Board. The Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

A quorum shall consist of a majority of member officers of the Board

SECTION 2. OTHER COMMITTEES AND TASK FORCES

The corporation shall have other committees and task forces as many from time to time are designated by resolution of the Board of Directors. Such other committees and task forces may consist of persons who are not also members of the Board. These additional committees and task forces *shall act in an advisory capacity only to the Board* and shall be clearly titled as "advisory" committees

SECTION 3. MEETINGS AND ACTION OF COMMITTEES AND TASK FORCES

Meeting and action of committees and task forces shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meeting of the Board of Directors, with such changes in the context of such Bylaws provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meeting of committees may be fixed by resolution of the Board of Directors or by the committee. The Board of Directors may also fix the time for special meetings or committees. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meeting of committees and task forces to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

ARTICLE VIII EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

SECTION 1. EXECUTION OF INSTRUMENTS

The board of directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contact or execute and deliver any instrument in the name of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

SECTION 2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the President of the corporation.

SECTION 3. DEPOSITS

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 4. GIFTS

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this corporation.

ARTICLE IX CORPORATE RECORDS, REPORTS AND SEAL

SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep at its principal office in the State of California:

- a) Minutes of all meetings of Directors, committees of the Board and, if this corporation has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, losses;
- c) A record of its members, if any indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- d) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by San Ysidro businesses or the members, if any, of the corporation at all reasonable times during office hours.

SECTION 2. CORPORATE SEAL

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

SECTION 3. DIRECTORS' INSPECTION RIGHTS

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

SECTION 4. MEMBERS' INSPECTION RIGHTS

San Ysidro businesses, and if this corporation has any, members, then each and every member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member:

- a) To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demands shall state the purpose for which the inspection rights are requested.
- b) To obtain from the Secretary of the corporation, upon written demand and payment of a reasonable charge, an alphabetized list of the names, addresses and voting rights of those members entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made available on or before the later of ten (10) business days after the date specified therein as of which list is to be compiled.
- c) To inspect at any reasonable time the books, records, contracts, agreements or minutes of proceedings of the members or of the Board or committees of the Board, upon written demand on the corporation by the member, for a purpose reasonably related to such person's interests as a member.

SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

SECTION 6. ANNUAL REPORT

The Board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all Directors of the corporation and, if this corporation has members, to any member of delegate who requests it in writing, which report shall contain the following information in appropriate detail:

- a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- d) The expenses or disbursements of the corporation, for both unrestricted and restricted to particular purposes, during the fiscal year;

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

If this corporation has members, then, if this corporation receives TWENTY-FIVE THOUSAND DOLLARS (\$25,000), or more, in gross revenues or receipts during the fiscal year, this corporation shall consider sending the above annual

report to all members, in such manner, at such time, and with such contents, including an accompanying report from independent accountants or certification of a corporate officer, as specified by the above provisions of this Section relating to the annual report.

ARTICLE X FISCAL YEAR

SECTION 1. FISCAL YEAR OF THE CORPORATION

The fiscal year of the corporation shall begin on July 1 and end on June 30 in each year.

ARTICLE XI AMENDMENT OF BYLAWS

SECTION 1. AMENDMENT

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

a) Subject to the power of members, if any, to change or repeal these Bylaws under Section 5050 of the Corporations Code, or by approval of the Board of Directors unless the Bylaw amendment would materially and adversely affect the rights of members, then a Bylaw specifying or changing the fixed number of Directors of the corporation, the maximum of minimum number of Directors, or changing from a fixed to variable Board or vice versa, may not be adopted, amended, or repealed except as provided in subparagraph (b) of this Section; or

b) By approval of the majority action of the sitting Board of Directors of this corporation.

ARTICLE XII AMENDMENT OF ARTICLES

SECTION 1. AMENDMENT OF ARTICLES BEFORE ADMISSION OF MEMBERS

Before any members have been admitted to the corporation, any amendment of the Articles of Incorporation may be adopted by approval of the Board of Directors.

SECTION 2. AMENDMENT OF ARTICLES AFTER ADMISSION OF MEMBERS

After members, if any, have been admitted to the corporation, amendment of these Articles of Incorporation may be adopted by the approval of the Board of Directors and by the approval of the members of this corporation.

SECTION 3. CERTAIN AMENDMENTS

Notwithstanding the above sections of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation of the names and addresses of the first Directors of this corporation nor the name and address of its initial agent, except to correct an error in such statement or to delete either statement after the corporation has filed a "Statement by a Domestic Non –Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

ARTICLE XIII PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS.

No member, Director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any

of the corporate assets on dissolution of the corporation. All members, if any, of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.

ARTICLE XIV MEMBERS

SECTION 1. DETERMINATION OF MEMBERS

If this corporation makes no provision for members, then, pursuant to Section 5310(b) of the Nonprofit Public Benefit Corporation Law of the State of California, any action which would otherwise, under law or the provisions of the Articles of Incorporation or Bylaws of this corporation, require approval by a majority of all members or approval by the members, shall only require the approval of the Board of Directors.

ACCEPTANCE:

These Bylaws of the San Ysidro Economic Improvement Corporation are accepted as the last revised version of said bylaws, revised and approved by the Board of Directors on January 10, 2008, and accepted this 22nd day of November 2016

Signature on file

Jennifer Goudeau
President of the Board

Signature on file

Alfredo Ripa
Secretary of the Board