



Bylaws of TDIC Insurance Solutions (TDIC IS)

As amended August 2023

TDIC IS Bylaws

Table of Contents

Article I – OFFICES	1
Section 1.01 <u>Principal Office</u>	1
Section 1.02 <u>Branch Offices</u>	1
Article II – MEETINGS OF SHAREHOLDERS	1
Section 2.01 <u>Place of Meetings</u>	1
Section 2.02 <u>Annual Meetings</u>	1
Section 2.03 <u>Special Meetings of Shareholders; Notice Provisions</u>	1
Section 2.04 <u>Quorum</u>	2
Section 2.05 <u>Waiver of Notice</u>	2
Section 2.06 <u>Consent to Shareholder Action</u>	2
Article III – BOARD OF DIRECTORS	2
Section 3.01 <u>Powers</u>	2
Section 3.02 <u>Number and Term of Directors</u>	3
Section 3.03 <u>Election and Removal of Directors</u>	3
Section 3.04 <u>Vacancies</u>	4
Article IV – MEETINGS OF DIRECTORS	4
Section 4.01 <u>Place of Meetings</u>	4
Section 4.02 <u>Regular Meetings</u>	4
Section 4.03 <u>Special Meetings of Directors; Notice Provisions</u>	4
Section 4.04 <u>Participation by Telephone or Other Means</u>	4
Section 4.05 <u>Quorum</u>	4
Section 4.06 <u>Waiver of Notice</u>	4
Section 4.07 <u>Action by Written Consent</u>	5
Section 4.08 <u>Meetings and Actions of Board Committees</u>	5
Article V – OFFICERS	5
Section 5.01 <u>Officers; Election</u>	5
Section 5.02 <u>Board Chair</u>	5
Section 5.03 <u>President</u>	5
Section 5.04 <u>Vice Chair</u>	5
Section 5.05 <u>Chief Financial Officer</u>	5
Section 5.06 <u>Secretary/Treasurer</u>	6
Section 5.07 <u>Assistant Secretaries and Assistant Treasurers</u>	6
Section 5.08 <u>Chair-Elect</u>	6
Article VI – INDEMNIFICATION OF DIRECTORS AND OFFICERS	6
Section 6.01 <u>Agents, Proceedings and Expenses</u>	6
Section 6.02 <u>Actions Other Than by the Corporation</u>	7
Section 6.03 <u>Actions by the Corporation</u>	7
Section 6.04 <u>Successful Defense by Agent</u>	7
Section 6.05 <u>Required Approval</u>	7
Section 6.06 <u>Advance of Expenses</u>	8

Section 6.07	<u>Directors and Contractual Rights</u>	8
Section 6.08	<u>Limitations</u>	8
Section 6.09	<u>Insurance</u>	8
Section 6.10	<u>Fiduciaries of Corporate Employee Benefit Plan</u>	8
Section 6.11	<u>Other Indemnification</u>	8
Article VII	– AMENDMENTS	8
Section 7.01	<u>Amendments by Shareholders</u>	8
Section 7.02	<u>Amendments by Directors</u>	8
Article VIII	– ANNUAL REPORT	9
Section 8.01	<u>Report to the Shareholders</u>	9
Article IX	– DIVIDENDS	9
Section 9.01	<u>Dividends</u>	9
Article X	– MISCELLANEOUS	9
Section 10.01	<u>Representation of Shares of Other Corporations</u>	9
Section 10.02	<u>Fiscal Year</u>	9
Section 10.03	<u>Execution of Documents</u>	9

Bylaws of TDIC Insurance Solutions

Amended August 2023



Article I – OFFICES

Section 1.01 Principal Office. The principal executive office of TDIC Insurance Solutions (the “corporation”) shall be located at 1201 K Street Mall, Sacramento, California, 95814, or such other place as the board may determine from time to time.

Section 1.02 Branch Offices. The corporation may also have offices at such other places as the board may from time to time designate, or as the business of the corporation may require.

Article II – MEETINGS OF SHAREHOLDERS

Section 2.01 Place of Meetings. All meetings of the shareholders shall be held at any place within or without the State of California designated by either the board or the written consent of all shareholders entitled to vote. In the absence of any such designation, shareholders’ meetings shall be held at the principal executive office of the corporation.

Section 2.02 Annual Meetings. The annual meeting of the shareholders of the corporation for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held on such date and at such time as determined by the board, but not more than 15 months after the date of the preceding annual meeting of the shareholders. Notice of each annual meeting shall be given to each shareholder entitled to vote, either personally or by first-class mail, charges prepaid, addressed to each shareholder at the address appearing on the books of the corporation, or given by the shareholder to the corporation for the purpose of notice. If any notice or report addressed to the shareholder at the address of such shareholder appearing on the books of the corporation is returned to the corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the shareholder at such address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available for the shareholder upon written demand of the shareholder at the principal executive office of the corporation for a period of one year from the date of the giving of the notice or report to all other shareholders. If no address of a shareholder appears on the books of the corporation or is given by the shareholder to the corporation, notice is duly given to the shareholder if sent by mail addressed to the place where the principal executive office of the corporation is located or if published at least once in a newspaper of general circulation in the county in which said principal executive office is located.

All such notices shall be given to each shareholder entitled thereto not less than 10 days nor more than 60 days before each annual meeting. Any such notice shall be deemed to have been given at the time when delivered personally or deposited in the United States mail.

Such notices shall state:

- (a) The place, date and hour of the meeting;
- (b) Those matters which the board, at the time of the mailing of the notice intends to present for action by the shareholders;
- (c) If directors are to be elected, the names of nominees intended at the time of the notice to be presented by the board for election;
- (d) Such other matters, if any, as may be expressly required by statute.

Section 2.03 Special Meetings of Shareholders; Notice Provisions. Special meetings of the shareholders for the purpose of taking any action permitted to be taken by the shareholders may be called at any time by the chair or vice chair of the board or the president, or by the secretary/treasurer, or by the board, or by one or more shareholders

53 holding not less than 10 percent of the voting power of the corporation. The person or persons calling such meeting
54 shall concurrently specify the purpose of the meeting, the general nature of the business to be transacted at the meeting
55 and no other business may be transacted the meeting. Except in special cases where other express provision is made by
56 statute, notice of such special meetings shall be given in the same manner as required for annual meetings of
57 shareholders.

58
59 Section 2.04 Quorum. The presence in person or by proxy of the holders of a majority of the shares entitled to vote
60 at any meeting shall constitute a quorum at a meeting of the shareholders. The shareholders present at a duly called or
61 held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the
62 withdrawal of enough shareholders to leave less than a quorum, if any action taken (other than adjournment) is
63 approved by at least a majority of the shares required to constitute a quorum. In the absence of a quorum, any meeting
64 of shareholders may be adjourned from time to time by the vote of a majority of the shares represented either in person
65 or by proxy, but no other business may be transacted except as provided in the preceding sentence.

66
67 Section 2.05 Waiver of Notice. The transactions of any meetings of shareholders, however called and noticed and
68 wherever held, are as valid as though had at a meeting duly held after regular call and notice if a quorum is present
69 either in person or by proxy and if, either before or after the meeting, each of the persons entitled to vote not present in
70 person or by proxy provides a waiver of notice or a consent to the holding of the meeting or an approval of the minutes
71 thereof. All such waivers, consents and approvals must be filed with the corporate records or made a part of the minutes
72 of the meeting. Attendance by a person at the meeting also constitutes a waiver of notice of and presence at the
73 meeting. Except when the person objects, at the beginning of the meeting, to the transaction of business because the
74 meeting was not lawfully called or convened, and except that the attendance at a meeting is not a waiver of the right to
75 object to the consideration of matters required by law or these bylaws to be included in the notice but not so included if
76 the objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any meeting
77 of the shareholders need be specified in any written waiver of notice, consent to the holding of the meeting or approval
78 of the minutes thereof, except as otherwise provided in these bylaws, the corporations articles of incorporation or by
79 applicable law.

80
81 Section 2.06 Consent to Shareholder Action. Any action which may be taken at any annual or special meeting of
82 shareholders may be taken without a meeting and without prior notice if consents in writing setting forth the action so
83 taken are signed by the holders of outstanding voting shares having not less than the minimum number of votes that
84 would be necessary to authorize or to take that action at a meeting at which all shareholders entitled to vote on that
85 action were present and voted; provided, however, (1) unless the consents of all shareholders entitled to vote have been
86 solicited in writing, notice of any shareholder approval without a meeting by less than unanimous written consent shall
87 be given as required by the California Corporations Code, and (2) directors may not be elected by other than
88 unanimous written consent of all the shares entitles to vote for the election of directors.

89
90 All such consents shall be filed with the secretary of the corporation and shall be maintained in the corporate records.
91 Any shareholder giving a written consent (ballot) may revoke the consent by a writing received by the secretary of the
92 corporation before written consents representing the number of shares required to authorize the proposed action have
93 been filed with the secretary of the corporation.

94 95 Article III — BOARD OF DIRECTORS

96
97 Section 3.01 Powers. Subject to the provisions of the California General Corporation Law and any limitations in the
98 articles of incorporation and these bylaws as to particular action required to be authorized or approved by the
99 shareholders, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised
100 by or under the direction of the board. Without prejudice to such general powers, but subject to the same limitations, it
101 is hereby expressly declared that the board shall have the following powers:

102
103 First: To conduct, manage and control the affairs and business of the corporation and to make such rules and
104 regulations therefor, not inconsistent with the law or with the articles of incorporation or with the bylaws, as they
105 may deem best;

106
107 Second: To elect and remove at pleasure the officers and agents including without limitation the president and
108 chief executive officer of the corporation, prescribe their duties and fix their compensation, subject to the rights,
109 if any, under any contract of employment;

110
111 Third: To authorize the issue of shares of stock of the corporation from time to time upon such terms as may be
112 lawful;

113
114 Fourth: To borrow money and incur indebtedness for the purposes of the corporation and to cause to be
115 executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust,
116 mortgages, pledges, hypothecations, or other evidence of debt and securities; and

117
118 Fifth: To alter, repeal or amend, from time to time, and at any time, these bylaws and any and all amendments
119 of the same, and from time to time, and at any time, to make and adopt such new and additional bylaws as
120 may be necessary and proper, subject to the power of the shareholders to adopt, amend or repeal such bylaws
121 as set forth in Article VII, Section 7.01 of these bylaws as provided by law, as limited in Article VII, Section
122 7.02 of these bylaws.

123
124 Section 3.02 Number and Term of Directors.

125
126 (a) The authorized number of directors shall be fixed from time to time, within the limits specified in this
127 Section 3.02(a) by an action adopted by the vote of a majority of the shares entitled to vote
128 represented at a duly held meeting at which a quorum is present, or by the written consent of the
129 holders of a majority of the outstanding shares entitled to vote.

130
131 (b) The authorized number of directors of this corporation shall be no fewer than 12 and no more than 18;
132 of whom no more than 16 shall be voting members. The voting directors shall include: six to eight CDA
133 member, three to four non-CDA member/non-employee, three to four directors designated from the
134 CDA board (the CDA treasurer, the CDA executive director, and up to two additional CDA board
135 members). Should the CDA treasurer be unable to serve in this role, the chair of the CDA Holding
136 Company, Inc. shall designate another CDA board member to hold that position.

137
138 One designated non-voting member shall be the person holding the office of president and chief
139 executive officer of the corporation. In the event the CDA executive director is serving in the office of
140 president and chief executive officer of the corporation, the authorized number of directors and the
141 number of voting directors shall be reduced by one. Notwithstanding the forgoing, during years when
142 there is an immediate past chair, who is not otherwise a member of the board, such person shall be
143 added as a second designated, non-voting member of the board, and the authorized number of
144 directors of this corporation shall be increased by one. For purposes of determining the presence of a
145 quorum, as provided herein, the non-voting members shall not be considered as part of the authorized
146 number of directors.

147
148 (c) The term of office for CDA member and non-CDA member/non-employee directors shall be three years,
149 with a consecutive tenure of three full terms. A partial term shall be no more than half a term. Directors
150 shall be eligible to serve an additional term after a break in service of one year. The term of office for
151 the CDA-board designated positions (when not designated to a CDA officer) shall be two years. Terms
152 served in a designated director position (CDA board member, executive director, or president) shall not
153 have, nor be counted towards, tenure limits. An immediate past chair not otherwise serving as a voting
154 director shall be eligible to serve in an at-large or non-CDA member/non-employee director position
155 with a service gap of one year or longer.

156
157 Section 3.03 Election and Removal of Directors. The directors shall be elected at each annual meeting of
158 shareholders, but if any such annual meeting is not held or the directors are not elected thereat, the directors may be

159 elected at any special meeting of the shareholders held for that purpose. Each director, including a director elected to
160 fill a vacancy, shall hold office until a successor is elected, except as otherwise provided by statute. Any or all of the
161 directors may be removed with or without cause in accordance with the applicable provisions of the California General
162 Corporation Law, as amended from time to time, or for failing to attend 50 percent or more of board meetings within
163 12 months or two consecutive meetings of a committee of the board.

164
165 Section 3.04 Vacancies. Vacancies in the board, including any vacancy created by the removal of a director, may
166 be filled by a chair recommendation to the board, and election by the shareholders at a special meeting held for that
167 purpose.

168 169 Article IV — MEETINGS OF DIRECTORS

170
171 Section 4.01 Place of Meetings. Regular meetings of the board shall be held any place within or without the State of
172 California that has been designated from time to time by the board. In the absence of such designation, regular
173 meetings shall be held at the principal executive office of the corporation. Special meetings of the board may be held at
174 any place within or without the State of California which has been designated in notice of the meeting, or, if not
175 designated in the notice or if there is no notice, at the principal executive office of the corporation.

176
177 Section 4.02 Regular Meetings. Regular meetings of the board shall be held without call on such time and place as
178 may be fixed by the board ; provided, however, that should any such day fall on a legal holiday, then said meeting
179 shall be held at the same time on the next day thereafter ensuing which is not a legal holiday. Notice of regular
180 meetings of the directors is hereby dispensed with and no notice whatever of any such meeting need be given, provided
181 that notice of any change in the time or place of regular meetings shall be given to all of the directors in the same
182 manner as notice for special meetings of the board.

183
184 Section 4.03 Special Meetings of Directors; Notice Provisions. Special meetings of the board for any purpose or
185 purposes may be called at any time by the board chair or vice chair or president or by any two directors. Special
186 meetings of the board shall be held upon four days' notice by mail or 48 hours' notice delivered personally or by
187 telephone, including a voice messaging system or by electronic transmission by the corporation to each director. The
188 notice need not specify the place of the meeting if the meeting is to be held at the principal executive office of the
189 corporation, and need not specify the purpose of the meeting.

190
191 Section 4.04 Participation by Telephone or Other Means. Members of the board may participate in a meeting
192 through use of a conference telephone, electric video screen participation or electronic transmission by and to the
193 corporation in accordance with the applicable provisions of the California General Corporation Law.

194
195 Section 4.05 Quorum. Presence of a majority of the authorized number of voting directors at a meeting of the board
196 constitutes a quorum for the transaction of business, except as hereinafter provided. A meeting at which a quorum is
197 initially present may continue to transact business notwithstanding withdrawal, provided that any action taken is
198 approved by at least a majority of the required quorum for such meeting. A majority of the directors present, whether or
199 not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than
200 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting
201 to the directors who were not present at the time of the adjournment.

202
203 Section 4.06 Waiver of Notice. The transactions of any meeting of the board, however, called or noticed or
204 wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is
205 present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, or a
206 consent to holding such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be
207 filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed
208 duly given to any director who attends the meeting without protesting, prior thereto or at its commencement, the lack of
209 notice to such directors.

211 Section 4.07 Action by Written Consent. Any action required or permitted to be taken by the board, may be taken
212 without a meeting if all voting members of the board shall individually or collectively consent in writing to such action
213 and if the number of members of the board serving at the time constitutes a quorum. Such written consent or consents
214 shall be filed with the minutes of the proceedings of the board. Such action by written consent shall have the same force
215 and effect as a unanimous vote of such directors.

216
217 Section 4.08 Meetings and Actions of Board Committees. The provisions of this Article IV shall also apply, with
218 necessary changes in points of detail, to committees designated by the board, if any, and to actions by such committees
219 (except for the first sentence of Section 4.02 of Article IV, which shall not apply, and except that special meetings of a
220 committee may also be called at any time by any two members of the committee), unless otherwise provided by the
221 bylaws or by the resolution of the board designating such committees. For such purpose, reference to "the board" or
222 "the board of directors" shall be deemed to refer to each such committee and reference to "directors" and "members of
223 the board" shall be deemed to refer to members of the committee. Committees of the board may be designated, and
224 shall be subject to the limitations on their authority, as provided in Section 311 of the General Corporation Law.

225 226 Article V — OFFICERS

227
228 Section 5.01 Officers; Election. The officers of the corporation shall be: a board chair and vice chair, a president, a
229 chief financial officer and a secretary/treasurer. The corporation may also have, at the discretion of the board one or
230 more assistant secretaries, one or more assistant treasurers, and such other officers as may be designated from time to
231 time by the board. Any number of offices may be held by the same person. The officers shall be elected by the board
232 and shall hold office at the pleasure of such board, provided that if the CDA executive director also serves in the office
233 of president, such person shall serve as vice chair but shall not serve in any other officer capacity. Following each
234 annual meeting of the shareholders, the board shall hold a regular meeting for the election of officers, except the chair-
235 elect who shall be elected in the manner set forth in Article V, Section 5.09, and the transaction of other business.

236
237 Section 5.02 Board Chair. The board chair, if present, shall preside at all meetings of the board and the
238 shareholders and exercise and perform such other powers and duties as may be from time to time assigned by the
239 board or prescribed by the bylaws. The board chair may serve on the CDA board, or appoint a designee from the
240 board to do so, when such service is in accordance with the bylaws of CDA.

241
242 Section 5.03 President. Subject to such powers and duties, if any, as may be prescribed by these bylaws or the
243 board for the board chair, if there be such officer, the president shall be the general manager and chief executive
244 officer of the corporation and shall, subject to the control of the board of directors, have general supervision, direction
245 and control of the business and officers of the corporation. The president shall have all of the powers and shall perform
246 all of the duties that are ordinarily inherent in the office of the president, and shall have such further powers and shall
247 perform such further duties as may be prescribed by the board. Upon direction of the board, the president shall make
248 such reports to the chair of CDA Holding Company, Inc. as requested. The president shall be entitled to attend all
249 meetings of the board, including executive sessions, except executive sessions involving the president's evaluation
250 and/or compensation.

251
252 Section 5.04 Vice Chair. The CDA executive director shall serve *ex officio* as vice chair. The vice chair shall assist
253 the chair and shall perform such other duties as from time to time may be prescribed by the board or the bylaws. In the
254 absence of the chair for a meeting, the vice chair shall preside at the meeting. If the CDA executive director is serving in
255 the office of president and chief executive officer of the corporation, he or she shall be a non-voting member of the
256 board.

257
258 Section 5.05 Chief Financial Officer. The chief financial officer of the corporation shall keep and maintain, or cause
259 to be kept and maintained, adequate and correct books and records of account of the corporation. The chief financial
260 officer shall receive and deposit all monies and other valuables belonging to the corporation in the name and to the
261 credit of the corporation and shall disburse the same only in such manner as the board or the appropriate officers of the
262 corporation may from time to time determine, shall render to the president and the board, whenever they request it, an

263 account of all the chief financial officer's transactions as chief financial officer and of the financial condition of the
264 corporation, and the chief financial officer shall perform such further duties as the board may require.

265
266 In the absence or disability or refusal to act of the president, the vice chair and chief financial officer shall perform all of
267 the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the
268 president.

269
270 Section 5.06 Secretary/Treasurer. In the event of the disability of the board chair, the secretary/treasurer shall
271 perform all of the duties of the board chair, except as provided in Section 5.04 of this article, and when so acting shall
272 have all the powers of, and be subject to all the restrictions upon, the board chair.

273
274 The secretary/treasurer shall keep or cause to be kept at the principal executive office of the corporation or such other
275 place as the board may order, a book of minutes of all proceedings of the shareholders, the board and committees of
276 the board, with the time and place of holding, whether regular or special, and if special how authorized, the notice
277 thereof given, the names of those present at directors' and committee meetings, and the number of shares present or
278 represented at shareholders' meetings. The secretary/treasurer shall keep or cause to be kept at the principal executive
279 office or at the office of the corporation's transfer agent a record of shareholders or a duplicate record of shareholders
280 showing the names of the shareholders and their addresses, the number of shares and classes of shares held by each,
281 the number and date of certificates issued for the same and the number and date of cancellation of every certificate
282 surrendered for cancellation. The secretary/treasurer or an assistant secretary/treasurer, or, if they are absent or unable
283 or refuse to act, any other officer of the corporation, shall give or cause to be given notice of all the meetings of the
284 shareholders, the board and committees of the board required by the bylaws or by law to be given, and that person
285 shall keep the seal of the corporation, if any, in safe custody and shall have such other powers and perform such other
286 duties as may be prescribed by the board or by the bylaws.

287
288 The secretary/treasurer shall also have general supervisory authority over the financial and investment activities of the
289 corporation and shall act as liaison between the board and the chief financial officer.

290
291 Section 5.07 Assistant Secretaries and Assistant Treasurers. It shall be the duty of the assistant secretaries and the
292 assistant treasurers to assist the secretary/treasurer in the performance of the secretary/treasurer's duties and generally
293 to perform such other duties as may be delegated to them by the board, and in the order of their seniority, shall, in the
294 absence or disability of the secretary or treasurer, to perform the duties of the secretary or treasurer as the case may be
295 and when so acting shall have all the powers of and be subject to all of the restrictions upon the secretary/treasurer.

296
297 Section 5.08 Chair-Elect. The board, no later than during its last regular meeting of the calendar year, shall elect a
298 member of the board (who may be the current board chair) to serve as board chair to take office immediately following
299 the next annual meeting of the shareholders ("chair-elect"). If the shareholders fail to elect or reelect, as the case may
300 be, the chair-elect, then the board shall elect a new board chair at the regular meeting of the board immediately
301 following the annual meeting of the shareholders. The chair-elect as such shall have no powers or responsibilities except
302 such as from time to time may be prescribed by the board or by the bylaws.

303 304 Article VI — INDEMNIFICATION OF DIRECTORS AND OFFICERS

305
306 Section 6.01 Agents, Proceedings and Expenses. For purposes of this article, "agent" means any person who is or
307 was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer
308 of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director or
309 officer of a foreign or domestic corporation which was a predecessor corporation of the corporation or of another
310 enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending or completing
311 action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes, without
312 limitation, attorneys' fees and any expenses of establishing a right to indemnification under Section 6.04 or 6.05(c) of
313 this article.

314

315 Section 6.02 Actions Other Than by the Corporation. The corporation shall indemnify any person who was or is a
316 party or is threatened to be made a party, to any proceeding (other than an action by or in the right of the corporation
317 to procure a judgment in its favor) by reason of the fact that such person is or was an agent of the corporation, against
318 expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such
319 proceeding if that person acted in good faith and in a manner that person reasonably believed to be in the best
320 interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct
321 of that person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a
322 plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good
323 faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the
324 person had a reasonable cause to believe that the person's conduct was unlawful.

325
326 Section 6.03 Actions by the Corporation. The corporation shall indemnify any person who was or is a party, or is
327 threatened to be made a party, to any threatened, pending or completed action by or in the right of the corporation by
328 reason of the fact that such person is or was an agent of the corporation, against any expenses actually and reasonably
329 incurred by that person in connection with the defense or settlement of the action, and any amounts paid by him or her
330 in settlement thereof; provided the person to be indemnified acted in good faith, in a manner he or she believed to be in
331 the best interests of the corporation and its shareholders. However, no indemnification shall be made under this Section
332 6.03 for any of the following:

- 333
- 334 (a) In respect to any claim, issue or matter as to which that person shall have been adjudged to be liable to
335 the corporation in the performance of that person's duty to the corporation, unless and only to the
336 extent that the court in which that proceeding is or was pending shall determine upon application that,
337 in view of all the circumstances of the case, that person is fairly and reasonably entitled to indemnity for
338 the expenses which the court shall determine;
 - 339
 - 340 (b) Of amounts paid in settling or otherwise disposing of a pending action without court approval; or
 - 341
 - 342 (c) Of expenses incurred in defending a pending action that is settled or otherwise disposed of without
343 court approval.
 - 344

345 Section 6.04 Successful Defense by Agent. To the extent that an agent of this corporation has been successful on the
346 merits in defense of any proceeding referred to in Sections 6.02 or 6.03 of this article, or in defense of any claim, issue
347 or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in
348 connection therewith.

349
350 Section 6.05 Required Approval. Except as provided in Section 6.04 of this article, any indemnification under this
351 article shall be made by this corporation only if authorized in the specific case, on a determination that indemnification
352 of the agent is proper in the circumstances because the agent has met the applicable standards of conduct set forth in
353 Sections 6.02 or 6.03 of this article, by:

- 354
- 355 (a) A majority vote of a quorum consisting of directors who are not parties to such proceedings;
 - 356
 - 357 (b) If such a quorum of directors is not obtainable, by independent legal counsel in a written opinion;
 - 358
 - 359 (c) Approval or ratification by the affirmative vote of a majority of the shares of the corporation entitled to
360 vote represented at a duly held meeting at which a quorum is present or by the written consent of
361 holders of a majority of the outstanding shares entitled to vote or;
 - 362
 - 363 (d) The court in which the proceeding is or was pending, on application made by the corporation or the
364 agent or the attorney or other person rendering services in connection with the defense, whether or not
365 such application by the agent, attorney, or other person is opposed by the corporation.
 - 366

367 Section 6.06 Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by the
368 corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to
369 repay the advance if it shall be determined ultimately that the agent is not qualified to be indemnified as authorized in
370 this article.

371
372 Section 6.07 Directors and Contractual Rights.

373
374 (a) The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest
375 extent possible under California law.

376
377 (b) Nothing contained in this article shall affect any right to indemnification to which persons other than
378 directors and officers of this corporation or any subsidiary hereof may be entitled by contract or
379 otherwise.

380
381 Section 6.08 Limitations. No indemnification or advance shall be made under this article, except as provided in
382 Sections 6.04 or 6.05(c), in any circumstance where it appears:

383
384 (a) That such indemnification would be inconsistent with a provision of the articles, bylaws, a resolution of
385 the shareholders, or an agreement in effect at the place of the accrual of the alleged cause of action
386 asserted in the proceeding in which the expenses were incurred or other amounts were paid, which
387 prohibits or otherwise limits indemnification; or

388
389 (b) That such indemnification would be inconsistent with any condition expressly imposed by a court in
390 approving a settlement.

391
392 Section 6.09 Insurance. The board may adopt a resolution authorizing the purchase and maintenance of insurance
393 on behalf of any agent of the corporation against any liability asserted or incurred by the agent in such capacity or
394 arising out of the agent's status as such whether or not this corporation would have the power to indemnify the agent
395 against that liability under the provisions of this section.

396
397 Section 6.10 Fiduciaries of Corporate Employee Benefit Plan. This article does not apply to any proceeding against
398 any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even
399 though that person may also be an agent of the corporation as defined in Section 6.01 of this article. The board shall
400 have the power to indemnify such a trustee, investment manager, or other fiduciary to the extent permitted by applicable
401 law.

402
403 Section 6.11 Other Indemnification. The provisions of this Article VI shall not be deemed exclusive of any other
404 provisions for indemnification or advancement of expenses of directors, officers, employees, fiduciaries and other
405 agents that may be provided by the articles of incorporation or any statute, bylaw, agreement, general or specific
406 action of the board, vote of shareholders or other document or arrangement.

407 408 Article VII — AMENDMENTS

409
410 Section 7.01 Amendments by Shareholders. New bylaws may be adopted or these bylaws may be amended or
411 repealed by the affirmative vote or written consent of a majority of the outstanding shares entitled to vote, except as
412 otherwise provided by law or by the articles of incorporation or these bylaws.

413
414 Section 7.02 Amendments by Directors. Subject to the right of shareholders as provided in Section 7.01 to adopt,
415 amend or repeal bylaws, and except as otherwise provided by law or by the articles of incorporation, bylaws may be
416 adopted, amended or repealed by the board, other than a bylaw amendment changing the authorized maximum or
417 minimum number of directors, provided that the provisions of Article III, Section 3.02(a), and Article VII may only be
418 amended or repealed by affirmative vote or written consent of a majority of the outstanding shares entitled to vote.

419

420 Article VIII — ANNUAL REPORT
421

422 Section 8.01 Report to the Shareholders. The annual report to shareholders referred to in Section 1501 of the
423 California General Corporation Law is expressly waived, but nothing herein shall be interpreted as prohibiting the
424 board from issuing annual or other periodic reports to shareholders.

425
426 Article IX — DIVIDENDS
427

428 Section 9.01 Dividends. The directors may declare a dividend distribution to the shareholders from time to time, in
429 accordance with the applicable provisions of the California General Corporation Law and the California Insurance
430 Code.

431
432 Article X — MISCELLANEOUS
433

434 Section 10.01 Representation of Shares of Other Corporations. Shares of other corporations standing in the name of
435 the corporation may be voted or represented and all incidents thereto exercised on behalf of the corporation by the
436 board chair, or the president.

437
438 Section 10.02 Fiscal Year. The fiscal year of the corporation shall end on the last day of December.
439

440 Section 10.03 Execution of Documents. The board may, in its discretion, determine the method and by resolution
441 designate the signatory officer or officers, or other person or persons, to execute any corporate instrument or document,
442 or to sign the corporate name without limitation, except where otherwise provided by law, and such execution or
443 signature shall be binding on the corporation.