

AMENDED AND RESTATED
BYLAWS OF
AUTOMATIC TRANSMISSION REBUILDERS ASSOICATION
a California Nonprofit Mutual Benefit Corporation

Automatic Transmission Rebuilders Association, a California mutual benefit corporation, also known as "ATRA" (the "Corporation"), adopts these Amended and Restated Bylaws (the "Bylaws"), which restate, amend, and supersede, in its entirety, the existing bylaws of the Corporation and its amendments, if any, with reference to the following facts:

WHEREAS, the Corporation's Articles of Incorporation (the "Articles") were filed with the California Secretary of State on September 30, 1966.

WHEREAS, the Corporation adopted its original bylaws after incorporation, which it subsequently amended and restated, and now desire to again restate, amend, and supersede the exiting bylaws of the Corporation in their entirety by these Bylaws.

NOW THEREFORE, the Corporation adopts the below:

ARTICLE I
OFFICES AND PURPOSE

Section 1.01 Corporate Name. The name of this corporation is Automatic Transmission Rebuilders Association, also known as "ATRA".

Section 1.02 Principal Office. The principal office for the transaction of the activities and affairs of the Corporation is located at 2400 Latigo Avenue, in the City of Oxnard, in the County of Ventura, in the State of California. The board of directors of the Corporation (the "Board") may change the principal office from one location to another. Any such change of location must be noted by the Secretary on these Bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

Section 1.03 Other Offices. The Board may at any time establish branch offices, either within or outside the State of California, in order to advance the proper purposes of the Corporation.

Section 1.04 General Purpose. The Corporation is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The general purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the California Nonprofit Mutual Benefit Corporation Law.

Section 1.05 Specific Purpose. The specific purpose of the Corporation is to promote the advancement and improvement of the transmission rebuilding industry and generally benefit the common interests of its Members (as defined hereunder) as participants in the industry.

ARTICLE II
MEMBERS

Section 2.01 Statutory Membership. The Corporation shall have the following two (2) classes of voting members, designated as Members:

(a) **Rebuilder Members.** Any individual, partnership, corporation or limited liability company within the boundaries of the United States of America and/or Canada who maintains a regular retail place of business for the

diagnosing, servicing, repairing, installation and/or rebuilding of automatic transmissions in automobiles and other vehicles ("Repair Business" or "Repair Business Owner") is eligible to be a "Rebuilder Member" of the Corporation, provided such individual, partnership, Corporation or limited liability company meets the following qualifications:

(i) Legal and Ethical Requirements. Each Rebuilder Member shall pledge, agree, and affirm that the Rebuilder Member has and will conduct its Repair Business in conformance with the Corporation's "Code of Ethics" as determined by the Board, as amended from time to time by resolution of the Board, "Guarantee Standards", as determined by the Board, as amended from time to time by resolution of the Board, "Advertising Standards" as determined by the Board, as amended from time to time by resolution of the Board, and the "ATRA Minimum Rebuild Standards" as determined by the Board, as amended from time to time by the Board.

(ii) Common Name. If an individual, partnership, corporation or limited liability company conducts business under a common name at more than one (1) location or with other Repair Business Owners who advertise to the public within the same business promotional program, use a common business logo, or seek to impart to the public that the business is using such common name are associated with one another, the Repair Business Owner of such common name shall obtain a separate membership for each such location and the Repair Business Owner(s) of all such other regular retail places of business using such common name must also be eligible for, qualify for, apply for and obtain and maintain a separate Rebuilder Membership. For sake of clarification, all locations under such common name are required to be to a Rebuilder Member and to continue to be eligible for and qualify for such Rebuilder Membership. In the event any one or more locations terminates, fails to qualify for, or otherwise ceases being a Rebuilder Member, all other locations which conduct their business under the common name as such Rebuilder Member, shall have their respective Rebuilder Memberships terminate concurrently therewith. Notwithstanding the foregoing, a member of a common-name group (i.e., a franchisee) may request approval of Rebuilder Member status as a special exemption. The Board, or a Board Committee, may conduct a review of said application and have the sole and absolute discretion to approve or deny such member's Rebuilder Member application.

(iii) Term of Business and History. Each Repair Business or Repair Business Owner must have been continuously in operation at its present location for a minimum term of two (2) years ("Eligibility Term") prior to its application for Rebuilder Membership to the Corporation or its receipt of sponsorship by a Rebuilder Member in good standing. A Rebuilder Member sponsoring a Repair Business or Repair Business Owner for Rebuilder Membership, must have first-hand knowledge of such Repair Business or Repair Business Owner's business practices and can vouch for their character. Additionally, each Repair Business or Repair Business Owner must have conducted its business operations during such Eligibility Term without any unfavorably-resolved governmental regulatory agency or Better Business Bureau violations, complaints and/or actions. ATRA reserves the right to conduct and undertake a background check of each Repair Business or Repair Business Owner to assist in determining such Repair Business or Repair Business owner's eligibility for a Rebuilder Membership.

(iv) Probation Period. Each Repair Business Owner applying for Rebuilder Membership will have a ninety (90) day probation period ("Probation Period"). During the Probation Period the applying Repair Business or Repair Business Owner will be listed as a "Technical Subscriber". Additionally, the Corporation will conduct a background check of each Repair Business or Repair Business Owner to assist in determining such Repair Business or Repair Business Owner's eligibility for Rebuilder Membership with the Corporation. The background check will include, but is not limited to, discovery of any unfavorably resolved governmental regulatory agency or Better Business Bureau violations, complaints and/or actions during the Eligibility Term.

(v) Rebuilder Members' Rights. Rebuilder Members shall have the right to vote, as set forth in these Bylaws, on the election of Directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation. In addition, Rebuilder Members shall have all rights afforded members under the California Nonprofit Public Benefit Corporation Law. If the Corporation is dissolved, all Members, including, Rebuilder Members, shall receive a prorata distribution of all assets, exclusive of those held in charitable trust, remaining after payment or provision for payment of the obligations and debts of the Corporation and provision for any other payment required under applicable law.

(vi) Rebuilder Members' Obligations. Each Rebuilder Member shall (A) abide and be governed by the Bylaws and written policies of the Corporation, (B) agree to, and function as, a "Golden Rule Warranty Program" transmission repair station and, if such Rebuilder Member elects, offer the Golden Rule Warranty Program in conformance with the Corporation's requirements as from time to time determined, and (C) pay all membership dues, fees, and assessments in accordance with Section 2.05 hereunder.

(b) **Supplier Members.** Any individual, partnership, corporation or limited liability company which is a manufacturer or distributor (or a manufacturer or distributor representative) of merchandise sold to the automobile repair industry or is a supplier of services to the automobile repair industry is eligible to be a "Supplier Member" of the Corporation.

(i) Common Name. If an individual, partnership, corporation or limited liability company conducts business under a common name at more than one location or with other suppliers of merchandise or services, the other owner(s) of such common name shall obtain a separate Supplier Membership for each such location and each additional supplier business owner of all such other regular places of business using such common name must also be eligible for, qualify for, apply for and obtain and maintain a separate Supplier Membership.

(ii) Supplier Members' Rights. Supplier Members shall have the right to vote, as set forth in these Bylaws, on the election of Directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation. In addition, those members shall have all rights afforded members under the California Nonprofit Public Benefit Corporation Law. If the Corporation is dissolved, all Members, including, Supplier Members, shall receive a pro-rata distribution of all assets, exclusive of those held in charitable trust, remaining after payment or provision for payment of the obligations and debts of the Corporation and provision for any other payment required under applicable law.

Notwithstanding the foregoing, Supplier Members, nor their employees, shall be eligible to serve as a Director or an Officer, nor shall they have the right to participate in the Golden Rule Warranty Program.

(iii) Supplier Members' Obligations. Each Supplier Member shall abide and be governed by the Bylaws and written policies of the Corporation, and (B) pay all membership dues, fees, and assessments in accordance with Section 2.05 hereunder.

Section 2.02 Non-Statutory Membership. The Corporation may refer to persons who are Non-Statutory Members and may be part of "Non-Statutory Chapters", or other persons or entities associated with it, as the Board may deem appropriate in their sole discretion, but do not have the right to vote, as "members," even though those persons or entities are not voting Members as set forth in Section 2.01 of these Bylaws. Members who are Non-Statutory Members, or any other non-voting member of the Corporation shall be deemed to have a "Non-Statutory Membership" and, as such, be "Non-Statutory Member(s)", and for avoidance of doubt, shall not have

any rights of a Statutory Member under the California Corporation's Code (the "Code"). The Board, in its sole discretion, may admit individuals to one (1) or more classes of nonvoting members; the nonvoting class or classes shall have such rights and obligations as the Board finds appropriate and sets from time to time.

Section 2.03 Membership Application. Each potential Member must submit an initial application to be admitted as a Member, whether such membership is statutory in accordance with Section 2.01 or non-statutory in accordance with Section 2.02, for their appropriate membership and ATRA Area, in accordance with Section 2.22 hereunder, whereby the Board shall constitute review such application to determine, in the Board's sole and absolute discretion, if the potential Member meets the applicable eligibility and qualification requirements for the appropriate type of membership, as set forth in these Bylaws are met. Any individual, partnership, corporation or limited liability company eligible and qualified for membership under Section 2.01, shall, upon approval of the membership application and the payment of such dues and fees as the Board may fix from time to time in accordance with the below, be admitted to be a Member of the Corporation. Such dues shall include, but not be limited to, a membership application fee, which such fee shall be determined by Board resolution.

Section 2.04 Membership Term. The "Membership Term" shall be based on the fiscal year, as stated herein below.

Section 2.05 Dues, Fees, and Assessments. Each Member and Non-Statutory Member must pay, within the time and on the conditions set by the Board, the dues, fees, and assessments in amounts to be fixed from time to time by the Board, in its sole discretion. The dues, fees, and assessments shall be equal for all Members of each class, but the Board may, in its discretion, set different dues, fees, and assessments for each class.

Section 2.06 Good Standing. Members and Non-Statutory Members who have paid the required dues, fees, and assessments in accordance with these Bylaws and who are not suspended shall be Members in good standing.

Section 2.07 Termination of Membership. A Member's membership shall terminate on occurrence of any of the following events:

(a) Resignation of the Member or Non-Statutory Member, effective upon the written request for the termination of such Member's or Non-Statutory Member's membership, to be delivered to the Secretary, President, or other designated officer of the Corporation;

(b) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;

(c) The death of an individual Member or Non-Statutory Member;

(d) The sale of all or a controlling interest of the business entity which is a Member or Non-Statutory Member;

(e) The Member's or Non-Statutory Member's failure to pay dues, fees, or assessments as set by the Board in accordance with the terms and requirements for such payments as set by the Board, unless said time period is extended in writing by the Board;

(d) Any event that renders the Member or Non-Statutory Member ineligible for their respective membership, or failure to satisfy their respective membership qualifications; or

(e) Termination of membership under Section 2.08 based on the good faith determination by the Board, or a Board Committee or person authorized by the Board to make such a determination, that the Member has failed

in a material and serious degree to observe the rules of conduct of the Corporation or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests. A Non-Statutory Membership may be terminated by the Board in their sole and absolute discretion, with or without cause.

Section 2.08 *Suspension of Membership.* A Member may be suspended, under Section 2.09, based on the good faith determination by the Board, or a Board Committee or person authorized by the Board to make such a determination, that the Member has:

(a) Failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests;

(b) Acted or business conduct is contrary to the policies, rules or Code of Ethics, or found to be injurious or damaging to the auto repair industry, Members, business customers or the motoring public; or

(c) been found guilty of deceptive or fraudulent business practices or activities by any governmental or regulatory entity or agency or who agrees or concedes to a civil judgment with any governmental or regulatory agency which judgment includes criminal or civil penalties, fines, assessments, mandatory community service and/or other punitive impositions.

A person whose membership is suspended shall not be a Member or Non-Statutory Member during the period of suspension.

Section 2.09 *Procedure for Termination or Suspension of Membership.* If grounds appear to exist for suspending or terminating a Member under Sections 2.07 or 2.08, the Board, a Board Committee, or a person authorized by the Board, shall conduct the following procedure:

(a) The effected Member shall receive no less than fifteen (15) days' prior notice of the proposed suspension or termination and the reasons for the proposed suspension or termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the Member's last address as shown on the Corporation's records.

(b) The Member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed suspension or termination. The hearing shall be held, or the written statement considered, by the Board or by a Board Committee or person authorized by the Board to determine whether the suspension or termination should occur.

(c) The Board, Board Committee, or person shall decide whether the Member should be suspended, expelled, or sanctioned in any way. The decision of the Board, Committee, or person shall be final.

(d) Any action challenging an expulsion, suspension, or termination of a Member's membership, including a claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion, suspension, or termination.

Section 2.10 *Re-Admission of a Previously Terminated or Suspended Member.*

(a) ***Terminated Member.*** Re-admittance as a previously terminated Member after one (1) year from the date of termination requires the Member to reapply for membership of the Corporation as stated in this Section 2 of these Bylaws, in addition to providing the proper paperwork stating there are no further violations of these Bylaws, Code of Ethics, ATRA Minimum Rebuild Standards, or any other set of standards set by the Corporation, or any other documentation reasonably requested by the Board. The Board may, in their sole and absolute discretion, waive the one (1) year waiting period for re-admission of a previously terminated Member.

(b) ***Suspended Member.*** A suspended Member may be restored as a Member in good standing (i.e., no longer suspended) by providing the proper paperwork stating there are no further violations of these Bylaws, Code of Ethics, ATRA Minimum Rebuild Standards, or any other set of standards set by the Corporation, or any other documentation reasonably requested by the Board, including, but not limited to, any documentation in connection with or related to such Member's suspension. In addition, if the terms of a Member's suspension as approved by the Board require that the Member's suspension be for a set amount of time, then said duration of time must lapse, in addition to meeting all other requirements of this Section 2.10(b), before said Member's membership is restored.

Section 2.11 *Memberships as Not Transferable.* No membership or right arising from membership shall be transferred. All membership rights cease on the Member's or Non-Statutory Member's death or dissolution, as applicable.

Section 2.12 *Member Meetings.*

(a) ***Annual Meetings.*** A general meeting of Members shall be held at least annually at such time and place, and on such notice, if any, as the Board may determine. Such annual meeting shall be for purposes of electing Directors, unless elected by written ballot, and may transact regular business. Notice of these meetings shall be in accordance with Section 2.14. The annual meetings of the Members shall be held at any place within or outside California, including, but not limited to, Canada, designated by the Board or by the written consent of all Members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, the annual Members' meeting shall be held at the Corporation's principal office. The Board may authorize members who are not present in person to participate by electronic transmission or electronic video communication in accordance with Section 2.13 hereunder.

(b) ***Special Meetings.***

(i) The Board or twenty percent (20%) or more of the Members, may call a special meeting of the Members, for any lawful purpose at any time, by written request, specifying the general nature of the business proposed to be transacted, and addressed to the attention of and submitted to the President. The Officer receiving the request shall cause notice to be given promptly to the Members entitled to vote, under Section 2.14, stating that a meeting will be held at a specified time and date fixed by the Board. However, the meeting date shall be at least thirty-five (35) but no more than ninety (90) days after receipt of the request. If the notice is not given within twenty (20) days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the time at which a meeting of Members may be held when the meeting is called by the Board.

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

(iii) Special meetings of the Members shall be held at any place within or outside California, including, but not limited to, Canada, designated by the Board or by the written consent of all Members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, Members' meetings shall be held at the Corporation's principal office. The Board may authorize Members who are not present in person to participate by electronic transmission or electronic video communication in accordance with Section 2.13 hereunder.

Section 2.13 *Electronic Meetings.* Members may participate in a meeting through use of conference telephone, electronic video screen communication, or similar communications equipment, whether now or hereafter known and/or devised, so long as all of the following apply: (a) each Member has submitted a signed consent to electronic communications ("E-Consent") to the Corporation in accordance with Sections 2.15 and 12.02 or the Member has been provided notice and consented in accordance with §20 of the Code; (b) each Member participating in the meeting can communicate with all the other Members concurrently; (c) each Member is provided the means of participating in all matters before the other Members, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Members and/or the Corporation; and (d) the Corporation adopts and implements means of verifying both of the following: (i) a person communicating by telephone, electronic video equipment, or other communications equipment is a Member entitled to participate in the meeting; and (ii) all statements, questions, actions, or votes were made by that Member and not by another person not permitted to participate as a Member. Participation in a meeting pursuant to this Bylaw shall constitute presence in person at such meeting.

Section 2.14 *Notice Requirements.*

(a) ***Written Notice.*** Whenever Members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given, in accordance with these Bylaws, to each Member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting, and the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which Members may participate in the meeting. For the annual meeting, the notice shall state the matters that the Board, at the time notice is given, intends to present for action by the Members. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which Directors are to be elected shall include the names of all persons who are nominees when notice is given.

(b) ***Notice of Certain Agenda Items.*** Approval by the Members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

(i) Removing a Director without cause;

(ii) Filling vacancies on the Board;

(iii) Amending the Articles;

(iv) Electing to wind up and dissolve the Corporation;

(v) Approving a contract or transaction between the Corporation and (1) one or more Directors, or between the Corporation and any entity in which a Director has a material financial interest; or

(vi) Approving a plan of distribution of assets, other than money, not in accordance with liquidation rights of any class or classes as specified in the Articles or Bylaws, when the Corporation is in the process of winding up.

(c) ***Notice Requirements.*** Notice of any meeting of Members shall be in writing and shall be given at least twenty (20) but no more than seventy-five (75) days before the meeting date. The notice shall be given either personally, by electronic transmission by the Corporation in accordance with Section 2.15 hereinbelow, or by first-class, registered, or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each Member entitled to vote, at the address of that Member as it appears on the books of the Corporation or at the address (physical and/or electronic) given by the Member to the Corporation (e.g., E-

Consent) for purposes of notice. If no address appears on the Corporation's books and no address has been so given, notice shall be deemed to have been given if either (a) notice is sent to that Member by first-class mail or electronic or other written communication to the Corporation's principal office or (b) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located. In the case of a special meeting, the general nature of the business to be transacted shall be included in the notice, and no other business may be transacted. In the case of a regular meeting, those matters which the Board, at the time the notice is given, intends to present for action by the Members, but, subject to Section 2.17 hereunder, any proper matter may be presented at the meeting for such action. The notice of any meeting at which Directors are to be elected shall include the names of all those who are nominees at the time the notice is given to members.

Section 2.15 *Electronic Notice/Communication.* Notice given by electronic transmission by the Corporation shall be valid only if:

(a) Delivered by (i) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Corporation (i.e., as stated in the Member's E-Consent); (ii) posting on an electronic message board or network that the Corporation has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered on the later of the posting or delivery of the separate notice of it; or (iii) other means of electronic communication;

(b) To a recipient who has provided an unrevoked consent to the use of those means of transmission for communications in accordance with §20 of the Code and/or signed E-Consent to the use of those means of transmission for communications, as further stated in Section 12.02; and

(c) That creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

Notwithstanding the foregoing,

(y) An electronic transmission by this Corporation to a Member is not authorized unless, in addition to satisfying the requirements of this Section, the consent (e.g., the E-Consent) to the transmission has been preceded by or includes a clear written statement to the recipient as to (i) any right of the recipient to have the record provided or made available on paper in nonelectronic form, (ii) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the Corporation, and (iii) the procedures the recipient must use to withdraw consent.

(z) Notice shall not be given by electronic transmission by the Corporation after either of the following: (i) the Corporation is unable to deliver two (2) consecutive notices to the Member by that means or (ii) the inability so to deliver the notices to the Member becomes known to the Secretary, any Assistant Secretary, if applicable, or any other person responsible for the giving of the notice.

Section 2.16 *Affidavit of Mailing.* An affidavit of the mailing of any notice of any Members' meeting, or of the giving of such notice by other means, may be executed by the Secretary, or any transfer agent of the Corporation, and if so executed, shall be filed and maintained in the Corporation's minute book.

Section 2.17 *Quorum.* One-third (1/3) of the voting power shall constitute a quorum for the transaction of business at any meeting of Members. Except as otherwise required by law, the Articles, or these Bylaws, the Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough Members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

Section 2.18 Member Voting.

(a) **Eligibility to Vote.** Subject to the California Nonprofit Mutual Benefit Corporation Law, Rebuilder and Supplier Members in good standing on the record date as determined under Section 2.01, 2.06, and 2.19 hereunder shall be entitled to vote at any meeting of Members. Each Member entitled to vote may cast one (1) vote on each matter submitted to a vote of the Members, provided, however, that a Member who owns more than one (1) Repair Business or service provider business, shall be entitled to one (1) vote only.

(b) **Manner of Voting.** Voting by Members may be registered and administered through any means legally allowed by the Code, including, but not limited to, by voice, by ballot, and through electronic means, except that any election of Directors must be by ballot if demanded before the voting begins by any Member at the meeting.

(c) **Majority Approval.** If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the Members unless the vote of a greater number, or voting by classes, is required by the California Nonprofit Mutual Benefit Corporation Law or by the Articles.

(d) **Waiver of Notice or Consent.** The transactions of any meeting of Members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after standard call and notice, if (i) a quorum is present and (ii) either before or after the meeting, each Member entitled to vote, not present, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of the meeting except that, if action is taken or proposed to be taken for approval of any matter specified in Section 2.14(b), the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the Corporate records or made a part of the minutes of the meeting. A Member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting unless the Member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

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

(f) **Action by Electronic Ballot/Written Ballot.** Any action that Members may take at any Member meeting may also be taken without a meeting by complying with Section 2.18(g). For avoidance of doubt, the Corporation does not have cumulative voting.

(g) **Solicitation of Ballots.** The Corporation shall distribute one (1) written ballot to each Member entitled to vote on the matter. The ballot and any related material may be sent by electronic transmission by the Corporation, and responses may be returned to the Corporation by electronic transmission that meets the requirements of Section 2.15. All solicitations of votes by written ballot shall (i) state the number of responses needed to meet the quorum requirement; (ii) state, with respect to ballots other than for election of Directors, the percentage of approvals necessary to pass the measure or measures; and (iii) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (x) set forth the proposed action; (y) give the Members an opportunity to specify approval or disapproval of each proposal; and (z) provide a reasonable time in which to return the ballot to the Corporation. If the Corporation has one hundred (100) or more Members, any written ballot distributed to ten (10) or more Members shall provide that, subject to reasonable specified

conditions, if the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification. In any election of Directors, a written ballot that a Member marks "withhold," or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a Director.

(h) **Approval Requirements.** Approval by written ballot shall be valid only when (i) the number of votes cast by ballot (including ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

(i) **Written Ballots As Irrevocable.** A written ballot may not be revoked.

(j) **Filing Ballots.** All written ballots shall be filed with the Secretary and maintained in the corporate records for at least five (5) years.

Section 2.19 Record Date.

(a) **Set by Board.** For purposes of establishing the Members entitled to receive notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights in any lawful action, the Board may, in advance, fix a record date. The record date so fixed for

(i) Sending notice of a meeting shall be no more than ninety (90) nor less than ten (10) days before the date of the meeting;

(ii) Voting at a meeting shall be no more than sixty (60) days before the date of the meeting;

(iii) Voting by written ballot shall be no more than sixty (60) days before the day on which the first written ballot is mailed or solicited; and

(iv) Taking any other action shall be no more than sixty (60) days before that action.

(b) **Not Set by Board.**

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

(ii) If not otherwise fixed by the Board, the record date for determining Members entitled to vote by written ballot shall be the day on which the first written ballot is mailed or solicited.

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

Section 2.20 Proxies. Proxy Voting is not permitted at Member meetings.

Section 2.21 Adjournment and Notice of Adjourned Meetings. Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the Members represented at the meeting. No meeting may be adjourned for more than forty-five (45) days. When a Members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned (or the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which Members may participate) are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

Section 2.22 ATRA Areas and ATRA Chapters. The United States of America and Canada shall be divided in to designated geographic territories, each known as an "ATRA Area", and each ATRA Area may consist of "ATRA Chapter(s)". Each ATRA Chapter will be a smaller geographic territory with its own President, which ATRA Chapter President shall be deemed a Subordinate Officer in accordance with Section 5.03. Furthermore, and in accordance with Section 3.03(d) and Section 5.03 herein, no individual serving as a ATRA Chapter officer, including, but not limited to, ATRA Chapter President, shall be eligible to serve concurrently as a Director. Each Member and Non-Statutory Member may belong to a ATRA Chapter for the location such Member is domiciled, if said Member is an individual, or such Member's principal business is located, if such Member is an entity. The nomination or appointment of Subordinate Officers, and the rights, requirements, and otherwise governance of each ATRA Area and ATRA Chapter shall be determined by the Board, in its sole and absolute discretion. The geographic territories and boundaries of each ATRA Area shall be identified in the "ATRA Area Map". The ATRA Area Map may only be amended by the amendment, termination, creation or otherwise merger of any ATRA Areas, which may only be done upon the approval of no less than seventy-five percent (75%) of the Board.

ARTICLE III BOARD OF DIRECTORS

Section 3.01 Powers.

(a) **General Powers of Board.** Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles or these Bylaws regarding actions that require approval of the Members, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

(b) **Specific Powers of Board.** Without prejudice to the general powers set forth in Section 3.01(a) but subject to the same limitations, the Board shall have the power to do the following:

(i) Appoint and remove, at the pleasure of the Board, all Corporate officers ("Officers"), agents, and employees; prescribe powers and duties for them as are consistent with the law, the Articles, and these Bylaws; fix their compensation; and require from them security for faithful service.

(ii) Change the principal office or the principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in or outside California for holding any meeting of Members.

(iii) Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

(iv) Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

Section 3.02 Number of Directors. The authorized number of directors of the Board ["Director(s)"] shall be no less than five (5) and no more than nine (9), with the exact authorized number of Directors to be determined by the Board from time to time. Within these limits, the Board may increase or decrease the number of Directors serving on the Board as the needs of the Corporation require. Any increase in the number of Directors shall be subject to and in accordance with Section 3.03 hereunder. Notwithstanding any of the foregoing, no reduction of the authorized number of Directors shall have the effect of removing any Director before the Director's term of office expires.

Section 3.03 Appointment and Term of Office of Directors.

(a) **Nominations by Committee.** The Chair of the Board or, if none, the President, shall appoint a Nominations and Elections Committee to nominate one (1) qualified candidate from each ATRA Area, in accordance with Section 3.03(f) hereunder, for election to the Board at least ninety (90) days before the date of any election of Directors. The Nominations and Elections Committee shall make its report at least sixty (60) days before the date of the election, and the Secretary shall forward to each Member in the applicable ATRA Area territory, with the notice of the meeting required by and in accordance with these Bylaws, a list of all candidates nominated by Nominations and Elections Committee, and any Self-Nominated candidates for such ATRA Area territory, per Section 3.03(b) hereunder.

(b) **Self-Nomination.** Each Member in good standing shall have the right to nominate themselves for the role of Director of their respective ATRA Area by completing and submitting a Self-Nomination Form, in accordance with the instructions as stated therein, and the Secretary shall forward to each Member in the applicable ATRA Area territory, with the notice of the meeting required by and in accordance with these Bylaws, a list of all candidates nominated by Self-Nomination, as well as the Directors nominated by the Nominations and Elections Committee.

(c) **Nominations by Members.** While the number of statutory Members, in accordance with Section 2.01, of the Corporation are within the range of five hundred to four thousand nine hundred ninety-nine (500-4,999) Members, Members representing two percent (2%) of the voting power may nominate candidates for Directors by petition. The petition must be signed by those Members within eleven (11) months preceding the next time Directors are to be elected, and delivered to an Officer of the Corporation. On timely receipt of the petition signed by the required number of Members, the Secretary shall cause the names of the candidates named on it to be placed on the ballot along with the names of the candidates chosen by the Nominations and Elections Committee.

(d) **Qualifications.** The Corporation's Directors shall (i) be a resident of the United States of America or Canada, (ii) be a Rebuilder Member in good standing, subject to Section 3.03(d)(iii), (iii) in the event the Member is an entity, be an owner of such entity, (iv) execute the Director's Agreement, and (v) not be in breach of the Director's Agreement. Each Director shall be required to execute and uphold the terms of the Director's Agreement, the terms of which shall be determined by the Board and revised by the Board, from time to time. For avoidance of doubt, no Supplier Member, or any Non-Statutory Member of the Corporation shall be qualified to serve as Director. No more than one (1) Member of a common name organization shall be eligible for or serve as a Director of the Corporation at the same time. Furthermore, in accordance with Section 2.22 and Section 5.03 herein, no officer of an ATRA Chapter shall be qualified to serve as a Director while holding office for their respective ATRA Chapter.

(e) **Nominee's Right to Solicit Votes.** Subject to the California Nonprofit Mutual Benefit Corporation Law, the Board may, in its sole discretion, formulate procedures that allow a reasonable opportunity for a nominee to communicate to Members the nominee's qualifications and the reasons for the nominee's candidacy, a

reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for all Members to choose among the nominees. If more people have been nominated for Director than can be elected, no Corporate funds may be expended to support a nominee without the Board's authorization.

(f) **Election of Directors.** The applicable number of Directors shall be elected at each annual Members' meeting by the Members of the respective ATRA Area territory which have open Director positions, to hold office until the end of such Director's term, in accordance with Section 3.03(g) hereinbelow, but subject to Section 3.04. However, if Directors are not elected at an annual meeting, they may be elected at any special Members' meeting held for that purpose or by written ballot in accordance with Section 2.18(b). The Board shall learn of the results of the election for the applicable Directors no less than six (6) weeks prior to the Member's annual meeting, or at such time prior to the Members' annual meeting as the Board may determine. Each Director, including a Director elected to fill a vacancy or elected at a special Members' meeting or by written ballot, shall hold office until expiration of the term in accordance with Section 3.03(g) herein below, for which elected and until a successor is elected and qualified.

(g) **Term.** Each Director shall serve a three (3) year term, subject to Section 3.04 hereinbelow, which term shall begin at the Annual Member's Meeting and expire at the Annual Member's Meeting three (3) years thereafter. For sake of clarity, a Director's term may not be three (3) complete years. No Director shall serve more than two (2) consecutive three (3) year terms as an elected Director, unless agreed to otherwise by Board Resolution. For sake of clarity, in the event an individual is appointed by the Board to fill a vacancy on the Board, in accordance with Section 3.05 hereunder, such term as an appointed Director shall not be counted towards such Director's two (2) consecutive three (3) year term limit. As such, any such Director that is appointed to fill a vacancy will be eligible to serve two (2) consecutive three (3) year terms immediately after the completion of the term in which they were appointed to fill. A Director shall be eligible to serve further terms in accordance with this Section 3.03 after a minimum of one (1) year has lapsed from the end of the last term served. Notwithstanding the foregoing, the Board may, in its absolute discretion, agree to waive the minimum one (1) year time requirement in the preceding sentence, and allow for a Director to serve a third consecutive term as a Director. In such event, such Director will be required to allow a minimum of one (1) year to lapse after the conclusion of such additional Term, prior to being eligible to serve additional Director terms, unless such requirement is subsequently waived, again, by the Board in accordance with the terms of this Section 3.03(g). Furthermore, the Board shall have the right to allow a former Director to serve, at the pleasure of the Board, in an advisory capacity to the Board at any time. In the event that a former Director is serving in an advisory capacity, such individual shall have no rights of a Director, including, but not limited to, voting or notice requirements.

Section 3.04 Vacancies.

(a) **Events Causing Vacancies.** A vacancy on the Board of Directors shall be deemed to exist at the occurrence of any of the following:

(i) The death, resignation, or removal of any Director, provided, however, that a Director who was designated as a Director, rather than elected by the Members, may be removed by the person or persons who designated that Director and may not be removed without the written consent of that person or persons.

(ii) The declaration by Board resolution of a vacancy in the office of a Director who has been declared of unsound mind by a court order, convicted of a felony, or, if the Corporation holds assets in charitable trust, found by a final order or judgment of any court to have breached a duty arising under §7238 of the Code.

(iii) The vote of the Members or, if the Corporation has fewer than fifty (50) Members, the vote of a majority of all Members, to remove any Director(s), provided that any Director elected by the vote of

Members of a class or Members within an organizational unit or geographic grouping, voting as such, rather than by all the Members, may be removed only by the vote of that class, unit, or grouping.

(iv) The increase in the authorized number of Directors.

(v) A failure of the Members, at any meeting of Members at which any Director or Directors are to be elected, to elect the number of Directors required to be elected at that meeting.

(vi) The declaration by the Board, by a majority vote of all Directors who meet the required qualifications as stated in Section 3.03(d), of a vacancy in the office of a Director who fails or ceases to meet any required qualification that was in effect at the beginning of the Director's current term in office. Notwithstanding the foregoing, in the event that a Director who is elected or appointed as an authorized representative of a business entity or association that is a Member of the Corporation, ceases being an authorized representative of said business entity or association because such individual terminates his or her association with the business entity or association that is a Member, such individual may continue to serve on the Board as a Director, at the discretion and approval of the President and Chair of the Board.

(b) **Resignation of Directors.** Except as provided in this Section, any Director may resign by giving written notice to the Chair of the Board, the President, or the Secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a Director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective.

(c) **Removal of Directors.**

(i) Any Director may be removed in accordance with the terms of Section 3.04(a)(iii) hereinabove.

(ii) Any Director may be removed in accordance with the terms of Section 3.04(a)(vi) hereinabove.

(iii) Any Director who does not attend three (3) successive Board meetings will automatically be removed from the Board without Board resolution unless:

(A) The Director requests a leave of absence for a limited period of time, and the leave is approved by the Directors at a regular or special meeting. If such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is or is not present.

(B) The Director suffers from an illness or disability which prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this Section 3.04(c)(iii).

(C) The Board by resolution of the majority of the Directors agrees to reinstate the Director who has missed three (3) meetings.

Section 3.05 Filling Vacancies.

(a) **By the Board.** Except for a vacancy created by the removal of a Director by the Members, vacancies on the Board may be filled by (i) approval of the Board or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office, (2) the affirmative vote of a

majority of the Directors then in office at a meeting held according to notice or waivers of notice complying with §7211 of the Code, or (3) a sole remaining Director, or by (ii) a Special Election in the applicable ATRA Area(s).

(b) **By Members.** The Members may elect a Director or Directors at any time to fill any vacancy or vacancies not filled by the Directors.

(c) **Reduction in Directors.** Any reduction of the authorized number of Directors shall not result in any Director's being removed before his or her term of office expires.

Section 3.06 Place of Meeting; Meeting by Electronic Transmission. Regular meetings of the Board may be held at any place within or outside the State of California, as designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Special meetings of the Board shall be held at any place within or outside of the State of California, as designated in the notice of meeting or, if not stated in the notice or if there is no notice, at the principal office of the Corporation. Notwithstanding the above provisions of this Section 3.06, a regular or special meeting of the Board may be held at any place consented to in writing by all Directors, either before or after the meeting. Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or similar communications equipment, whether now or hereafter known and/or devised, so long as all of the following apply: (a) each Director has submitted a signed E-Consent to the Corporation in accordance with Section 12.02; (b) each Director participating in the meeting can communicate with all the other Board members concurrently; (c) each Director is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation; and (d) the Corporation adopts and implements means of verifying both of the following: (i) a person communicating by telephone, electronic video equipment, or other communications equipment is a Director entitled to participate in the Board meeting; and (ii) all statements, questions, actions, or votes were made by that Director and not by another person not permitted to participate as a Director. Participation in a meeting pursuant to this Bylaw shall constitute presence in person at such meeting.

Section 3.07 Annual Meeting and Regular Meetings. Immediately after each annual meeting of Members, the Board shall hold a general annual meeting for purposes of organization, election of Officers, and transaction of other business. Notice of this meeting is not required. Other general meetings of the Board may be held without notice at such time and place as the board may fix from time to time.

Section 3.08 Special Meetings. Special meetings of the Board for any purpose may be called at any time by the President or by a majority of the Directors. Notice of these meetings shall be in accordance with Section 3.09.

Section 3.09 Notice of Regular and Special Board Meetings. Subject to Section 4.08(b) herein below, notice of any meeting of the Board shall be given to all Directors at least four (4) days in advance if given by first-class mail or at least forty-eight (48) hours in advance if given by notice delivered personally, by telephone, or by electronic transmission in compliance with the E-Consent, provided such notice may be waived by any Director as set forth below in Section 3.10. All notices shall be given or sent to the Director's address, telephone number, or email as shown on the Corporation's books and records (e.g., Director's E-consent). Notice shall not be given by electronic transmission if the Corporation is unable to deliver two (2) consecutive notices to a Director by that means, or if the inability to deliver the notice becomes known to the Secretary or other person responsible for giving such notice. The notice shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation. The notice need not to specify the purpose of a regular or special meeting.

Section 3.10 Waiver of Notice. The transactions of any meeting of the Board, however called and noticed and 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 and (b) either before or after the meeting, each of the Directors not present signs a written

waiver of notice, a consent to holding of 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 lack of adequate notice.

Section 3.11 Quorum. A majority of the authorized number of Directors shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be an act of the Board, subject to the more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, including, without limitation, the provisions on (a) approval of contracts or transactions between this corporation and one (1) or more Directors or between this Corporation and any entity in which a Director has a material financial interest, (b) creation of and appointments to Board Committees, and (c) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 3.12 Adjournment. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 3.13 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 twenty-four (24) hours, in which case 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 the adjournment. This notice may be waived in the same manner as set forth under Section 3.10.

Section 3.14 Board Action Without Meeting. Any action that the Board is required or permitted to take may be taken without a meeting if all Directors consent in writing to the action. Such an action by written consent shall have the same force and effect as any other validly approved Board action. All such consents shall be filed with the minutes of the proceedings of the Board.

Section 3.15 Director Voting. Each Director shall have one vote on each matter presented to the Board for action. No Director may vote by proxy.

Section 3.16 Compensation of Directors. The Board may authorize the advance or reimbursement of actual reasonable expenses incurred by a Director or member of a committee in carrying out his or her duties. Directors may receive a per diem allowance in connection with such Director's attendance of Board meetings and conducting Board business, in accordance with and as the Board may establish by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

Section 3.17 Director Voting. Each Director shall have one vote on each matter presented to the Board for action. No Director may vote by proxy.

ARTICLE IV COMMITTEES

Section 4.01 Board Committees. The Board, by resolution adopted by a majority of the Directors then in office, designate one (1) or more committees ["Board Committee(s)"] consisting of two (2) or more Directors, and only of Directors, to serve at the pleasure of the Board. Each Board Committee shall have the right to grant nominal advisory membership ("Advisory Member") to non-Directors. Advisory Members shall have the right to attend all meetings and events of any such Board Committee, advise and discuss on any issues before the Board Committee with regard to their objectives. However, for purposes of voting, determining a quorum, notice requirements, and the ability to record minutes for the Board Committee meetings, Advisory Members shall not be included, and any such rights and/or requirements shall be limited to Board Committee members who are

Directors. Any Board Committee, to the extent provided in the resolution of the Board, shall have all or a portion of the authority of the Board, except that no committee, regardless of the Board resolution, may:

- (a) Fill vacancies on the Board or on any Board Committee;
- (b) Amend or repeal the Articles or Bylaws or adopt new Bylaws;
- (c) Amend or repeal any resolution of the Board;
- (d) Designate any other Board Committee or appoint the members of any Board Committee;
- (e) With respect to any assets held in charitable trust, approve any contract or transaction between the Corporation and one or more Directors or between the Corporation and an entity in which one or more of its directors have a material financial interest, subject to the approval provisions of §5233(d)(3) of the Code; or
- (f) Expend corporate funds to support a nominee for Director if more people have been nominated for Director than can be elected.

Section 4.02 *Investment Committee.* The Corporation may have an Investment Committee, at the Board's sole and absolute discretion, which shall be a Board Committee and comprised of not less than three (3) Directors. The Investment Committee shall be subject to the Corporation's "Investment Policy" at all times, which such Investment Policy shall be created by and may amended from time to time at the sole and absolute discretion of the Board. Notwithstanding the foregoing, the Investment Policy shall at all times be subject to this Section 4.02. The Investment Committee shall act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of like character and with like aims to accomplish the purposes of the institution. Individual investments shall be considered as part of an overall investment strategy. The Investment Committee shall consider the impact of an investment on the Corporation's present and future financial requirements, expected total return, general economic conditions, the appropriate level of risk, appropriate levels of income, growth and long-term net appreciation, and the probable safety of the funds. The Investment Committee may retain professional money managers and shall develop an investment policy that shall be reconsidered at least annually, in light of the changing needs of the Corporation, economic conditions, and any other factors that may affect the Corporation's tolerance of risk and need for income. An Investment Committee or the Board, as applicable, shall at all times be subject to §§ 5231 and 5240 of the Code, including, but not limited to, a Director's limitation of liability as stated therein.

Section 4.03 *Advisory Committees.* The Board may establish one or more advisory committees to the Board ("Advisory Committees"). The members of any Advisory Committee may consist of Directors or non-Directors. Advisory Committees may not exercise the authority of the Board to make decisions on behalf of the Corporation, but shall be limited to making recommendations to the Board or the Board's authorized representatives and to implementing Board decisions and policies. Advisory Committees shall be subject to the supervision and control of the Board.

Section 4.04 *Meeting and Action of Committees.* Meetings and action of Board Committees shall be governed by, held, and taken in accordance with Article III of these Bylaws, concerning meeting and other action of the Board, except that the time for regular meetings of such Board Committee and the calling of special meetings thereof may be determined by either by resolution of the Board or, if there is no Board resolution, by resolution of the Board Committee. Minutes shall be kept of each meeting of any Board Committee and shall be filed with corporate records. The Board may adopt rules for the government of any Board Committee not inconsistent with the provisions of these Bylaws or in the absence of rules adopted by the Board, the Board Committee may adopt such rules. The Board may adopt rules of any Advisory Committee not inconsistent with the provisions of these Bylaws.

ARTICLE V OFFICERS

Section 5.01 Officers. The officers of this Corporation ("Officers") shall be a President, Vice President, a Secretary, and a Chief Financial Officer. The Corporation, at the Board's discretion, may also have any such other Officers as may be appointed under Section 5.03. No individual may hold more than one Officer position at a time.

Section 5.02 Election of Officers.

(a) Subject to the remainder of this Article V, the Officers, except those appointed in accordance with the provisions of Section 5.03, shall be chosen by the Board at each annual meeting of the Corporation and each shall serve at the pleasure of the Board, subject to the rights, if any, of any Officer under a contract of employment. An Officer Nomination Committee, which shall be a Board Committee, shall present to the Board a report and slate of qualified candidates for each Officer position, sixty (60) days before the annual meeting of the Board. The Board shall vote on the slate of proposed Officer candidates at the annual Board meeting. In the event that the Board does not elect a candidate presented by the Officer Nomination Committee, the Board shall nominate and chose an alternate candidate for the applicable Officer position at the annual meeting of the Board.

(b) The term of each Officer ("Officer Term") shall be one (1) year, and no individual may serve as an Officer of this Corporation for longer than four (4) consecutive Officer Terms, with no individual being able to hold the same Office for more than two (2) consecutive terms.

Section 5.03 Subordinate Officers. The Board may appoint and may authorize the President or any other 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 by the Bylaws or determined from time to time by the Board. All ATRA Chapter officers, including, but not limited to, ATRA Chapter Presidents, shall be deemed a Subordinate Officer. Furthermore, no individual who is serving as a ATRA Chapter officer shall be eligible to serve concurrently as a Director.

Section 5.04 Removal of Officers. Subject to rights, if any, under any contract of employment, any Officer may be removed, with or without cause, by the Board, at any regular or special meeting of the Board, or, (except in the case of an Officer chosen by the Board), by an Officer on whom such power of removal has been conferred by the Board of Directors.

Section 5.05 Resignation of Officers. Any Officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Any resignation shall take effect at the date of receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party.

Section 5.06 Vacancies in Office. 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 5.07 Responsibilities of Officers.

(a) **President.** The President shall also be the Chief Executive Officer of the Corporation. Subject to the control of the Board, the President shall be the general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and Officers. The President shall preside at all Members' meetings. The President shall also serve the Chair of the Board at all Board meetings and shall exercise and perform such other powers and duties as the board may assign from time to time. The President shall have such other powers and duties as the Board or the Bylaws may require.

(b) **Vice President.** If the President is absent or disabled, the Vice President shall perform all duties of the President. When so acting, the Vice President shall have all powers of and be subject to all restrictions on the President. The Vice President shall have such other powers and duties as the Board or the Bylaws may require.

(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 may direct, a book of minutes of all meetings and actions of Directors, Members, and committees, with the time and place of holding regular and special meetings, and if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.

(ii) **Corporate Records.** The Secretary shall keep or cause to be kept at the principal California office, a copy of the Articles and Bylaws, as amended to date.

(iii) **Member Records.** The Secretary shall keep or cause to be kept at the Corporation's principal office or at a place determined by resolution of the Board, a record of the Corporation's members, showing each member's name, address, and class of membership.

(iv) **Notices and Other Duties.** The Secretary shall give, or cause to be given, notice of all meetings of the Board, of Members, and of committees required by the Bylaws to be given. The Secretary shall keep the corporate seal, if any, in safe custody and have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

(d) **Chief Financial Officer.** The Chief Financial Officer shall also be the Treasurer of the Corporation and attend to the following:

(i) **Books of Account.** The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The Chief Financial Officer shall send or cause to be given to the Members and Directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.

(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; shall disburse funds of the Corporation as may be ordered by the Board; shall render to the President and Directors, whenever they request it, an account of all financial transactions 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 or the Bylaws.

(iii) **Bond.** If required by the Board, the Treasurer shall give the Corporation a bond in the amount and with the surety specified by the Board for the faithful performance of the duties of his or her

office and for restoration to the Corporation of all its books, papers, vouchers, money, and other property of every kind in his or her possession or under his or her control on his or her death, resignation, retirement, or removal from office.

ARTICLE VI RECORDS AND REPORTS

Section 6.01 Maintenance of Articles and Bylaws. The Corporation shall keep at its principal executive office the original or a copy of its Articles and Bylaws as amended to date.

Section 6.02 Maintenance of Other Corporate Records. The Corporation shall keep the following: (a) adequate and correct books and records of account; (b) minutes of the proceedings of its Members, Board, and Board Committees; and (c) a record of each Member's name, address, and class of membership. The minutes and other books and records shall be kept either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the two.

Section 6.03 Members' Inspection Rights. Unless the Corporation provides a reasonable alternative as provided below, any Member may do either or both of the following for a purpose reasonably related to the Member's interest as a member:

(a) Members' Records.

(i) Inspect and copy the records containing Members' names, addresses, and voting rights during usual business hours on five (5) days' prior written demand on the Corporation, which must state the purpose for which the inspection rights are requested, or

(ii) Obtain from the Secretary, on written demand and tender of a reasonable charge, a list of names, addresses, and voting rights of Members who are entitled to vote for Directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the Member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the Member on or before the later of ten (10) days after the demand is received or the date specified in the demand as the date as of which the list is to be compiled. The Corporation may, within ten (10) business days after receiving a demand under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons the proposed alternative does not meet the proper purpose of the demand.

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

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

(b) Inspection of Accounting Records and Minutes. On written demand on the Corporation, any Member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the Members, the Board, and Board Committees at any reasonable time for a purpose reasonably related to the Member's interest as a Member. Any such inspection and copying may be made in person or by the Member's agent or attorney. This right of inspection extends to the records of any subsidiary of the Corporation.

(c) **Inspection of Articles and Bylaws.** This Corporation's Articles and Bylaws, as amended to the current date, that shall be open to inspection by the Members at all reasonable times during office hours.

Section 6.04 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 and each of its subsidiary corporations, if applicable. 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 6.05 Annual Report. Except as provided under the §8321(c) of the Code, the Board shall cause an annual report to be prepared within one hundred twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information in appropriate detail:

(a) A balance sheet as of the end of the fiscal year, an income statement, and a statement of cash flows for the fiscal year, accompanied by an independent accountant's report or, if none, by the certificate of an authorized Officer that they were prepared without audit from the Corporation's books and records;

(b) A statement of the place where the names and addresses of current Members are located; and

(c) Any information required by Section 6.06 of these Bylaws.

This Corporation shall annually notify each Member of the Member's right to receive a copy of the financial report under this Section. Except as provided hereinabove, on written request by a Member, the Board shall promptly cause the most recent annual report to be sent to the requesting Member. If the Board approves, the Corporation may send the report and any accompanying material sent pursuant to this Section by electronic transmission. For sake of clarification, this Section shall not apply if the Corporation receives less than Ten Thousand Dollars (\$10,000.00) in gross revenues or receipts during the fiscal year.

Section 6.06 Annual Statement. As part of the annual report to all Members, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail, deliver, or send by electronic transmission to its members and furnish to its directors a statement of any transaction or indemnification of the following kinds within one hundred twenty (120) days after the end of the Corporation's fiscal year:

(a) Unless approved by Members under §7233(a) of the Code, any transaction (i) to which the Corporation, its parent, or its subsidiary was a party, (ii) which involved more than Fifty Thousand Dollars (\$50,000.00) or was one of a number of such transactions with the same person involving, in the aggregate, more than Fifty Thousand Dollars (\$50,000.00), and (ii) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a material financial interest):

(A) Any Director or Officer of the Corporation, its parent, or its subsidiary;

(B) Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent, or its subsidiary.

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

(b) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than Ten Thousand Dollars (\$10,000.00) paid during the fiscal year to any Officer or Director of the Corporation under these Bylaws, unless the loan, guaranty, indemnification, or advance has

already been approved by the Members under §5034 of the Code, or the loan or guaranty is not subject to §7235(a) of the Code.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 7.01 *Right to Indemnification.* This Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an Officer, Director, or 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, or other enterprise, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the California Nonprofit Corporation Law.

In determining whether indemnification is available to the Director, Officer, or agent of this Corporation under California law, the determination as to whether the applicable standard of conduct set forth in Code §7237 has been met shall be made by a majority vote of a quorum of Directors who are not parties to the proceeding. If the number of Directors who are not parties to the proceeding is less than two-thirds of the total number of Directors seated at the time the determination is to be made, the determination as to whether the applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 7.02 *Advancement of Expenses.* To the full extent permitted by law and except as is otherwise determined by the Board in specified instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws may be advanced by the Corporation, upon approval of the Board, prior to the final disposition of the proceeding upon receipt by the Corporation of an undertaking by or on behalf such person is entitled to be indemnified by the Corporation thereof.

Section 7.03 *Insurance.* This Corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its Officers, Directors, employees, and other agents, to cover any liability asserted against or incurred by any Officer, Director, employee, or agent in such capacity or arising from the Officer's, Director's, employee's, or agent's status as such, whether or not the Corporation would have the power to indemnify the agent against such liability under Section 7.01 of these Bylaws, subject to the Code.

ARTICLE VIII

CONTRACTS AND LOANS WITH DIRECTORS AND OFFICERS

Section 8.01 *Contracts with Directors.* No Director of this Corporation nor any other corporation, firm, association, or other entity in which one (1) or more of this Corporation's Directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Corporation unless (a) the material facts as to the transaction and such Director's interest are fully disclosed or known to the Members and such contract or transaction is approved by the Members in good faith, with any membership owned by any interested Director not being entitled to vote thereon, or (b) the material facts regarding such Director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all Board Directors before consideration by the Board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the vote of the interested Director.

Section 8.02 Loans to Directors and Officers. This Corporation shall not lend any money or property to, or guarantee the obligation of, any Director or Officer or of its parent, affiliate, or subsidiary unless (a) the Board decides that the loan or guaranty may reasonably be expected to benefit the Corporation, and (b) before consummating the transaction or any part of it, the loan or guaranty is approved by either the Members, without counting the vote of the Director or Officer, if a Member, or the vote of a majority of the Directors then in office, without counting the vote of the Director who is to receive the loan or guaranty.

ARTICLE IX FISCAL YEAR

The fiscal year of the Corporation shall begin on January 1 and end on December 31.

ARTICLE X AMENDMENTS

Subject to the members' rights under Article II, the Board may adopt, amend, or repeal bylaws unless doing so would:

- (a) Materially and adversely affect the Members' rights as to voting, dissolution, redemption, or transfer;
- (b) Increase or decrease the number of Members authorized in total or for any class;
- (c) Effect an exchange, reclassification, or cancellation of all or part of the memberships; or
- (d) Authorize a new class of membership.

ARTICLE XI EMERGENCY PROVISIONS

Section 11.01 Emergency Bylaws. The emergency bylaw provisions of this Section are adopted in accordance with Code §7151(g). Notwithstanding anything to the contrary herein, this Section applies solely during an emergency, which is the limited period of time during which a quorum cannot be readily convened for action as a result of the following events or circumstances until the event or circumstance has subsided or ended and a quorum can be readily convened in accordance with the notice and quorum requirements as stated in these Bylaws:

- (a) A natural catastrophe, including, but not limited to, a hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, epidemic, pandemic, or disease outbreak, or regardless of cause, any fire, flood, or explosion;
- (b) An attack on this state or nation by an enemy of the United States of America, or on receipt by this state of a warning from the federal government indicating that an enemy attack is probable or imminent;
- (c) An act of terrorism or other man-made disaster that results in extraordinary levels of casualties or damage or disruption severely affecting the infrastructure, environment, economy, government function, or population, including, but not limited to, mass evacuations; or
- (d) A state of emergency proclaimed by the governor of the state in which one or more Directors are resident, or by the President of the United States, including, but not limited to, a pandemic.

Section 11.02 Emergency Actions. In anticipation of or during an emergency, the Board may take either or both of the following actions necessary to conduct the Corporation's ordinary business operations and affairs:

(a) Modify lines of succession to accommodate the incapacity of any Director, Officer, employee, or agent resulting from the emergency.

(b) Relocate the principal office or authorize the Officers to do so.

During an emergency, the Board may take either or both of the following actions necessary to conduct the Corporation's ordinary business operations and affairs:

(c) Give notice to a Director or Directors in any practicable manner under the circumstances when notice of a meeting of the Board cannot be given to that Director or Directors in accordance with the terms of these Bylaws.

(d) Deem that one or more Officers present at a Board meeting is a Director, in order of rank and within the same rank in order of seniority, as necessary to achieve a quorum.

During an emergency, the Board may not take any action that is not in the Corporation's ordinary course of business. Any actions taken in good faith during an emergency under this Section may not be used to impose liability on a Director, Officer, employee, or agent. All provisions of the regular Bylaws consistent with these emergency bylaws shall remain effective during the emergency.

ARTICLE XII

CONSTRUCTION, DEFINITIONS

Section 12.01 *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, and the plural number includes the singular.


Section 12.02 *Electronic Transmission.* Subject to any guidelines and procedures that the Board may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means and may include electronic transmissions, such as facsimile or e-mail, provided (i) for electronic transmissions *from* the Corporation, the Corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions *to* the Corporation, the Corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

CERTIFICATE OF SECRETARY

I, the undersigned, the duly elected Secretary of Automatic Transmission Rebuilders Association, a California mutual benefit corporation, also known as "ATRA", do hereby certify:

That the foregoing Bylaws consisting of 25 pages, including this page, were adopted as the Bylaws of the Corporation by the Members of the Corporation effective as of Sept 4th, 2022, and the same do now constitute the Bylaws of said Corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name this Sept 4th 2022


Maryann Croce, Secretary