

BYLAWS
OF
PENINSULA EXECUTIVES ASSOCIATION

Revised October 2014

ARTICLE I

NAME AND LOCATION

Sec. 1. The name of this organization shall be PENINSULA EXECUTIVES ASSOCIATION (hereafter "Association").

Sec. 2. The office of this Association shall be in Santa Clara County, California.

ARTICLE II

OBJECTS

Sec. 1. The principle object of the Association is for the maintenance of an organization composed of leading business and professional persons in the Greater Bay Area counties, each represented by one of its executives, for the mutual benefit of all.

Sec. 2. It shall be an objective of this Association to benefit its members by the encouragement of the exchange, between members, of business and information leading to business.

Sec. 3. Since the objective of this Association is solely and directly to benefit the business of its members, no contributions of Association funds shall be made to, nor membership held in behalf of, the Association in any public, private charitable or promotional organization.

ARTICLE III

MEMBERSHIP

Sec. 1. Membership shall consist of three classes: (1) Regular Members, (2) Honorary Members and (3) Emeritus Member. Each regular membership shall be entitled to a Primary and an Associate representative.

Sec. 2. Regular membership shall be limited to business firms, corporations or individuals, or professional persons of good standing, actually engaged in business or profession in any of the Greater Bay Area counties. The proposed member must have been with the business for a minimum of one (1) year or have at least five (5) years of industry experience. If the membership be held by a firm or corporation it shall be represented in the Association by one of its owners, officers, managers, executives or other key personnel to be known as the primary representative and whose appointment shall be subject to the approval of the Membership Committee and the Board of Directors. The membership shall be the property of the business entity in whose name it is held and is not transferable to any individual members thereof. Nothing in this section shall affect the standing of any person who is a representative of a member of the Association at the time of the adoption of these Bylaws.

Sec. 3. Every regular member shall be privileged to appoint, in addition to the Primary representative provided for in the next preceding section, an Associate representative who may attend any meeting of the Association. An Associate representative except said Associate representative shall be entitled to a vote only in the absence of the Primary representative with whom he or she is associated.

Sec. 4. Emeritus Membership shall be limited to long standing member company representatives with at least 10 (ten) years of regular membership status who no longer qualify for regular membership due to retirement, semi-retirement, employment change, illness, or other acceptable cause but still desire the fellowship of PEA. Such members may attend breakfast meetings and other social events, but will be responsible for the cost of same as well as any other dues or assessments as the Board shall from time to time determine

(a) Emeritus members shall no longer be eligible for a business classification and shall not market any service or product.

(b) Emeritus members shall be nominated at a meeting of the Board of Directors and approved by three fourths (3/4) of the votes collected of members present at any regular meeting of the Association.

Sec. 5. Honorary membership may be bestowed only upon individuals who have rendered valuable or distinguished service to this Association who are no longer regular members. Honorary members must be nominated at a meeting of the Board of Directors, and approved by three-fourths (3/4) of the votes of the members present at any regular meeting of the Association.

Sec. 6. The Board of Directors shall classify the different businesses and professions eligible for membership in the Association. There shall be no more than one member in each classification.

Sec. 7. Memberships are not assignable nor transferable by sales, gift, operation of law, nor by any other means, except with the approval of the Board of Directors.

Sec. 8. An applicant for membership is eligible only if sixty percent (60%) or more of that business falls within the classification under which application is made.

ARTICLE IV

APPLICATION FOR MEMBERSHIP

Sec. 1. Applicants for membership shall submit application to the Association on an approved form accompanied by the required membership fee, provided, however, that no members shall solicit the application of any person or firm whose name has not first been submitted to the Board of Directors or Executive Director and approved for membership by a majority of said Board. In determining the qualifications for membership of any person or firm whose name has been submitted, the Board may, in its discretion, require a report from the Membership Committee, or from any other member, or may publish the name to the membership at large.

Sec. 2. In any event, the name of every applicant must be published to the membership at large after the application is received, and a period of at least one week from said publication allowed for members to make objection in writing addressed to the Board of Directors through the President. Such objection shall be on the letterhead of the objecting member, and set forth briefly the reason(s) for objection.

Sec. 3. No applicant shall be admitted to membership after written objection of one or more members pursuant to Section 2, above, until the Board of Directors has considered the objection and reappraised the applicant by the majority vote of the entire Board of Directors (four of the seven voting members). If no objections are made, the applicant shall be declared a member. The decision of the Board of Directors in the selection of members is final.

ARTICLE V

ADMISSION FEES AND DUES

Sec. 1. The admission fee of regular members shall be such amount as the Board of Directors shall from time to time determine, and shall be payable upon receipt of application for membership.

Sec. 2. The dues of Primary members shall be such amount as the Board of Directors shall from time to time determine, and shall be payable in advance including the cost of meals to be served to the members at the regular members' meeting of the Association. All members whose dues have not been paid in accordance with the Bylaws during the first month of the current quarter shall be notified to pay for their current meals on meeting dates until such time as their dues are current unless other arrangements are made with the Executive Director.

ARTICLE VI

DUTIES OF MEMBERS

Sec. 1. Every member shall supply the Executive Director with information which may be of interest to fellow members in assisting them to get business.

Sec. 2. Members shall hold confidential all business information emanating from the Association.

Sec. 3. The exchange of business information is the object of the Association.

Sec. 4. It is the duty of every member to be represented at all regular meetings of the Association.

Sec. 5. It is the duty of every Member to sign and return to the Executive Director the "Responsibility of Members" document within 30 days of receipt of said document.

Sec. 6. It is the duty of every Member to attend as many open houses as possible during the year, or send a representative to the open houses that are held.

Sec. 7. It is the duty of every Member to hold an open house, or co-sponsor an open house with another member, every 18 months.

ARTICLE VII

RESIGNATIONS AND EXPULSIONS

Sec. 1. Any member not in arrears for dues or other fees may voluntarily resign from the Association by filing a written resignation with the Board of Directors.

Sec. 2. Members are subject to expulsion from the Association for the following infractions:

- (a) for the non-payment of dues or fees after thirty (30) days from the date the same are due;
- (b) for unexcused nonattendance at four (4) consecutive meetings;
- (c) for failure to cooperate in the advancement of the objects of the Association;
- (d) for violation of these Bylaws; or
- (e) for failure to conduct their business in a manner that would, in the judgment of the Board of Directors, deserve the support and recommendation of the Association.
- (f) for failure to give a spotlight talk at least once every eighteen (18) months;
- (g) for failure to give a classification talk at least once every eighteen (18) months.

The power of expulsion is vested in the Board of Directors, but an expelled member shall have the right of appeal to the membership through its Board of Directors within fifteen (15) days from the date of expulsion and may be reinstated by a vote of two-thirds (2/3) of the Board members present at the next regular monthly meeting.

Sec. 3. In case any member merges, consolidates or changes its business or management, and as a result thereof the business appertaining to the classification held by such member becomes less than sixty percent (60%) of its total business, and the new major business of such member conflicts with any other member's classification, the Board of Directors, upon written complaint of the aggrieved member, shall, if such conflict is found to exist and to result from such change, merger or consolidation, suspend the member which changed its business. All decisions of the Board of Directors, under this section, shall be final. Any member suspended under this section shall be entitled to a *pro rata* refund of dues paid in advance of the date of its suspension.

Nothing in this section is to be taken as prohibiting a suspended member from regular application in the event of subsequent changes in business or any opening in a classification for which it is eligible. Said applicant shall conform to the rules for proposal of a new member, provided, however, that the application fee shall be one-half (1/2) the regular application fee.

Sec. 4. If any member of this Association shall join any other organization with objects and purposes similar to those of this Association and which would interfere with the member's activity or cooperation in this Association, and the member fails to withdraw from the conflicting organization after due notice from the Board of Directors, it shall be the duty of the Board of Directors to consider such member's resignation, or to suspend such from membership in this Association. Civil groups, service groups, and industry specific groups are not considered conflicts with this section.

ARTICLE VIII

CHARGES AGAINST MEMBERS

Sec. 1. All charges by any member of unbecoming conduct of another member or of violation of these Bylaws must be submitted in writing, together with evidence supporting the charge, to the Ethics Committee which shall make its findings and report the same to the Board of Directors for such action as they deem proper.

ARTICLE IX

DIRECTORS

Sec. 1. The Board of Directors shall consist of seven (7) persons, who shall be active member representatives and who shall be elected at the annual member's meeting which shall be held on the last scheduled meeting in January of each year.

Sec. 2. Each Director shall serve a term of two (2) years, except that the immediate past President, while serving as an *ex officio* Director, may serve that additional year and excepting further, that the first Directors shall be elected for staggered terms, four (4) for one (1) year and three (3) for two (2) years.

Sec. 3. Any vacancy in the Board of Directors shall be filled by election by the remaining members of the Board of Directors, to serve for the unexpired portion of the term vacated.

Sec. 4. The Board of Directors shall hold a regular meeting at least once a month, or as often as the interests of the Association may require. The time and place of such meetings shall be called by the President, or the Secretary-Treasurer at the request of three (3) or more Directors, by giving timely notice to each member of the Board.

Sec. 5. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

Sec. 6. Notice of a meeting need not be given to any Director who signs a waiver of notice of consent to holding the meeting or an approval of the minute thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Sec. 7. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of time and place of holding adjourned meeting need not be given to absent Directors if the time and place be fixed to the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were present at the time of adjournment.

Sec. 8. Failure to attend three (3) or more consecutive meetings of the Board of Directors without sufficient or satisfactory excuse shall be sufficient cause for suspension from the Board of Directors.

Sec. 9. Four (4) members shall constitute a quorum of the Board of Directors.

Sec. 10. The Board of Directors shall prescribe its own order for business and rules of procedure.

Sec. 11. The immediate past president automatically becomes an *ex officio* member of the Board of Directors for the next year.

ARTICLE X

POWERS OF THE BOARD OF DIRECTORS

Sec. 1. The Board of Directors shall have direction and control of the affairs of the Association, serving without remuneration, and have charge of its business management, subject to these Bylaws and subject to the direction of the membership.

Sec. 2. It shall have the power to call special meetings of the membership when deemed necessary by giving at least two (2) days notice of such meetings by mail, e-mail or fax to the last known mailing address, e-mail address, or fax number of each member and by setting forth the purpose of the meeting in such notice.

Sec. 3. The Board of Directors shall consider all cases of violation of these Bylaws, or infraction of the rules of the Association and have power to penalize the offending member as may be deemed best in their judgment.

Sec. 4. The Board of Directors shall consider bills rendered the Association and pass upon them for payment or refusal.

Sec. 5. The Board of Directors shall have such other powers as indicated elsewhere in these Bylaws or as given to it by the membership.

ARTICLE XI

OFFICERS AND EXECUTIVE DIRECTOR

Sec. 1. The officers of the Association shall be: President, Vice-President and Secretary-Treasurer.

Sec. 2. These officers of the Association shall be elected for a term of one (1) year, by ballot of the new Board of Directors at or immediately following the regular annual members' meeting held pursuant to Article IX, Sec. 1. The new Board of Directors shall be composed of the newly elected Directors and those Directors whose term will continue for the following year.

Sec. 3. The officers-elect shall take office at the first members' meeting of the new fiscal year held after his or her election and shall hold office for one (1) year or until such time as his or her successor has been elected and qualifies.

Sec. 4. In the event of a vacancy in any such office, the Board of Directors shall elect a duly qualified member to fill such vacancy for the remainder of the expired term.

Sec. 5. The Directors of the Association may contract an Executive Director who may be a member of the Association and whose contract fees shall be agreed to by the Board of Directors and paid from the funds of the Association.

ARTICLE XII

DUTIES AND POWER OF THE PRESIDENT

Sec. 1. The President shall preside at all meetings of the membership and the Board of Directors. In the event of a tie vote, the President shall have the deciding vote.

Sec. 2. The President shall appoint all standing and special committees from the membership and shall have the authority to call special meetings of the membership at any time.

Sec. 3. The President shall appoint an Auditing Committee consisting of members of the Association, or an auditor or certified public accountant (who may or may not be a member of the Association but who shall be approved by a majority of the Board of Directors) for the purpose of auditing the books, accounts and vouchers of the Executive Director and report the condition of the same to the Board of Directors, quarterly as of each year or more often at the discretion of the Board of Directors.

Sec. 4. The President may countersign with the Secretary-Treasurer, Vice-President or Executive Director all checks for all bills as approved by the Board of Directors.

ARTICLE XIII

DUTIES AND POWERS OF THE VICE-PRESIDENT

Sec. 1. The Vice-President shall be the presiding officer in the absence of the President, at the meetings of the Board of Directors or members, and in the absence of the President shall be vested with all the powers and perform all the duties of the President. He or she may countersign with the President, Secretary-Treasurer or Executive Director all checks for bills approved by the Board of Directors.

Sec. 2. It shall be the duty of the Vice-President to coordinate all committee chairman and to require periodic reports of the various activities of said committees.

ARTICLE XIV

DUTIES OF THE SECRETARY-TREASURER

Sec. 1. It shall be the duty of the Secretary-Treasurer to fully acquaint himself or herself with the method of accounting the records and statistics of the Association; and he

or she shall see that such records, accounts and statistics are properly kept by the Executive Director.

Sec. 2. The Secretary-Treasurer shall present a regular monthly report of the receipts and disbursements to the Board of Directors that is prepared by the Executive Director. He or she must work with the Executive Director to prepare an annual budget and a early report at the annual members' meeting of the Association or at such other times as may be requested by the Board of Directors.

ARTICLE XV

DUTIES OF THE EXECUTIVE DIRECTOR

Sec. 1. The Executive Director shall exercise his or her efforts to promote the interchange of business and leads between members of the Association. The Executive Director shall call on the members of the Association at frequent intervals for the purpose of discussing with them the business pertinent to the interest of the Association.

Sec. 2. The Executive Director shall cooperate with and assist the Directors of the Association, the President, and the chairmen of the various committees; and shall attend when notified and when possible all meetings of the Association, of the Directors and of the various committees.

Sec. 3. The Executive Director shall follow instructions and suggestions for carrying out the duties to be given him or her from time to time by the Board of Directors or by the President. The Board of Directors may appoint a member or committee of members to work in any advisory capacity with the Executive Director in connection with the general duties or with any special duty that may be assigned to the Executive Director. The Executive Director, a qualified independent contractor, shall present an annual contract agreement to the Board of Directors at the Board meeting scheduled during the month prior to the expiration of his or her contract agreement. Any negotiations to be done must be completed by the next scheduled Board meeting and a contract agreement will be signed at that time. The records and files of the Association are kept in the possession of the Executive Director.

Sec. 4. It shall be the duty of the Executive Director to keep a full and accurate account of the minutes of all meetings of the Board of Directors and any other meetings of the Association for which minutes may be necessary.

Sec. 5. It shall be the duty of the Executive Director to receive all bills and claims against the Association in due and sufficient time for prompt payment after their approval by the Board of Directors to see that checks are drawn for the several amounts thus due.

Sec. 6. The Executive Director shall see that a complete and correct membership roll is kept at all times.

Sec. 7. It shall be the duty of the Executive Director to receive all monies paid to the Association, and to deposit the same in a bank or banks, to be designated by the Board of Directors, permitting the same to be paid out only for such expenses and bills that have been approved by the Board of Directors or Executive Director, by a check signed by the Secretary-Treasurer and the President, or by any two authorized officers of the Association. The Executive Director shall turn over all books, cash and other property of the Association in his or her possession to the Board of Directors upon request, or upon the expiration of his or her contract.

ARTICLE XVI

COMMITTEES

Sec. 1. All committees shall be appointed by the President subject to the approval of the Board of Directors.

Sec. 2. There shall be the following standing committees:

(1) LEADS COMMITTEE - This committee shall have charge of ways and means for development of business information and the stimulation of business for the members of the Association by means of tips, leads, or such other ethical methods as may be deemed advantageous.

(2) MEMBERSHIP COMMITTEE - This committee shall investigate all applications for membership, pass upon protests affecting membership, and report its findings and make its recommendations to the Board of Directors.

(3) FINANCE COMMITTEE - This committee shall consist of not less than three (3) members, the chairman of which shall be a member of the Board of Directors, and at least one (1) member of which shall not be a Director. It shall be the duty of this committee to prepare a budget of receipts and disbursements for guidance of the Association's finances.

(4) PROGRAM COMMITTEE - This committee shall be in charge of the programs for all special meetings as may be delegated to the attention of the committee.

(5) ETHICS COMMITTEE - This committee shall consist of not less than three (3) members, the chairman of which shall be either a Past President of the Association, or a member of the Board of Directors. It shall be the duty of this committee to investigate all

charges made by any member or of the general conduct of the Association, and shall report its findings to the Board of Directors.

(6) NOMINATING COMMITTEE - Thirty (30) days prior to the date of the regular annual members' meeting of the Association the Board of Directors shall appoint a nominating committee of five (5) regular members in good standing consisting of the incumbent President, one (1) member of the Board of Directors, and three (3) regular members of the Association who have retained their membership not less than three (3) years. It shall be the duty of the Nominating Committee to prepare a ticket of names on which the membership shall ballot for the new Directors for the ensuing year. The names of one (1) or more active representatives shall be presented by the committee for each vacancy that is to occur and the nominees receiving the majority of the votes cast will be declared elected to the vacancies then occurring. The majority of the Nominating Committee shall have the power to nominate the ticket. This ticket shall be printed and mailed by the Executive Director to each member of the Association not later than ten (10) days before the annual meeting at which the election is held. Should this ticket not be mailed as above required it shall not be called the regular ticket. Nothing herein contained shall preclude further nominations by members of the Association. Such other nominations may be in writing and filed with the Executive Director not later than three (3) days prior to the annual meeting or they may be made from the floor at the time of the election by any member in good standing. It shall be the duty of the President to call for further nominations immediately preceding the election. Voting for the Directors of the Association shall be by secret ballot, either printed or written. The majority of all votes cast shall constitute an election in each case.

(7) ATTENDANCE COMMITTEE - This committee shall be in charge of promoting and encouraging the regular attendance of each Executive or associate Member for all regular meetings of the Peninsula Executives Association. This committee shall consist of not less than three (3) members. It shall be the duty of this committee to assist each member in maintaining good attendance using the attendance records provided by the Executive Director. Should attendance become a problem for an Executive this shall be reported to the Board of Directors with their recommendation of any action they may deem necessary to be in the best interests of the Association.

(8) SHEPHERD COMMITTEE - The purpose of this committee is to help new and prospective members become familiar and comfortable in the Association programs and to know the members. A committee member is assigned a new member to greet and sit with during the meetings as well as be the member to be called upon if he or she has any questions.

ARTICLE XVII

MEETINGS AND QUORUMS

Sec. 1. The annual business meeting of the Association shall be held the last Thursday of each fiscal year unless otherwise ordered by the Board of Directors.

Sec. 2. Regular meetings of the membership shall be held at such time, place and frequency as may be determined by the Board of Directors from time to time and communicated to the general membership.

Sec. 3. Notice of special meetings and the purpose of the same shall be mailed, e-mailed, or faxed to each member at least five (5) days in advance, and no business shall be conducted at a special meeting other than that provided for by such notice.

Sec. 4. One-third (1/3) of the members in good standing and represented by a primary or associate representative at a properly called meeting shall constitute a quorum of the membership.

ARTICLE XVIII

TERM OF EXISTENCE AND PROPERTY

Sec. 1. This Association shall remain in existence until such time as a majority of its active members in good standing shall vote to disband it.

Sec. 2. No member shall have any right, title or interest in the assets of the Association until such time as the Association may disband, as provided in Section 1 of this Article.

Sec. 3. In case of disbanding, as provided in Section 1 of this Article, active members shall participate in the remaining assets of a *pro rata* basis.

ARTICLE XIX

BYLAWS; AMENDMENT; INTERPRETATION; MEMBERS BOUND BY

Sec. 1. These Bylaws may be changed or amended, or new Bylaws adopted, by a two-thirds (2/3) vote of the members present at the annual meeting, or at any special meeting called for that purpose by the Board of Directors. They may also be changed by at

least seventy-five percent (75%) vote of the entire Board of Directors at a regular meeting or a special meeting called for that purpose.

Sec. 2. Every amendment to these Bylaws shall, within fifteen (15) days of its being passed be published to the membership at large. Any amendment passed by the Board of Directors may be presented to the membership for veto or alteration upon application of any five (5) members to the Executive Director who shall, upon receipt of such application, inform the President whose duty it shall be to call a meeting of the Association notifying all members of the purpose thereof. A vote of two-thirds (2/3) of the members present at such meeting shall be necessary to veto or alter any section of the Bylaws.

Sec. 3. The Directors shall have the right to construe these Bylaws and to reconcile any inconsistency or ambiguity therein, and such construction or reconciliations shall be placed upon the Minute Book of the Association.

Sec. 4. Upon becoming a member of this Association and having been introduced at a regular meeting as such, it shall be the duty of the member to sign a written acknowledgement of having read a copy of these Bylaws, and any amendments thereto, and that member's agreement to be subject to the burdens and responsibilities of these Bylaws, as well as being entitled to the benefits hereunder.

ADDENDA

Bylaws Change May 2007

Passed: May 10, 2007 Purpose: The term "Senior Member" was changed to "Emeritus Member" in Article III, Sections 1 and 4, in response to member request.

Bylaws Change August 2007

Passed: August 9, 2007 Purpose: The method of notifying members of a special meeting was expanded to include e-mail and fax in Article X, Section 2 and in Article XVII, Section 3.

Bylaws Change October 2007

Passed: October 11, 2007 Purpose: Rules regarding open house attendance were amended. Article VII, Section 2 was edited to remove failure to attend 50% of open houses in a one-year period as a reason for expulsion. Article VI, Sections 6 and 7 were added to the list of Member duties.

Bylaws Change October 2013

Passed: October 10, 2013 Purpose: Rules regarding eligibility for applying for membership and rules for counting of votes for Emeritus Membership were amended. Article III, Section 2 received the following addition: "The proposed member must have been with the business for a minimum of one (1) year or have at least five (5) years of industry experience." Article III, Section 4(b) was edited to change "of the votes of the members present" to "of the votes collected of members present".

Bylaws Change October 2014

Passed: October 9, 2014 Purpose: Rule regarding membership in other Leads groups was clarified. Article VII, Section 4 received the following addition: "Civic groups, service groups, and industry specific groups are not considered conflicts with this section."