

# CAVO



## BYLAWS

OF

## **CALIFORNIA ASSOCIATION OF VOTING OFFICIALS, INC.**

December 31, 2013

1477 Sanchez St.  
San Francisco, CA 94131  
<http://www.cavo-us.org>

# Table of Contents

ARTICLE I GENERAL.....	5
Section 1.1 Name.....	5
Section 1.2 Purpose, Process and Organization.....	5
Section 1.3 Known Place of Business.....	5
Section 1.4 Other Offices.....	5
Section 1.5 Nonprofit Status.....	5
ARTICLE II MEMBERS.....	6
Section 2.1 Basis and Conditions of Membership.....	6
Section 2.2 Classes of Membership.....	6
Section 2.4 Deprivation or Suspension of Membership.....	7
Section 2.5 Resignation by Member.....	8
Section 2.6 Membership Book.....	8
Section 2.7 Levy of Dues, Assessments or Fees.....	9
Section 2.8 Use of Names.....	9
Section 2.9 Rights in Intellectual Property and Security of Information:.....	9
ARTICLE III MEETINGS OF MEMBERS.....	10
Section 3.1 Time and Place of Meetings.....	10
Section 3.2 Regular Meetings of Committees.....	10
Section 3.3 Special Meetings.....	10
Section 3.4 Notice of Meetings.....	10
Section 3.5 Voting List.....	10
Section 3.6 Quorum.....	11
Section 3.7 Adjournments.....	11
Section 3.8 Action at Meetings.....	11
Section 3.9 Voting and Proxies.....	11
Section 3.10 Suspension of Rights for Non-Payment of Fees.....	11
Section 3.11 Order of Business.....	11
ARTICLE IV THE BOARD OF DIRECTORS.....	12
Section 4.1 Powers and Responsibilities.....	12
Section 4.2 Number of Directors.....	12
Section 4.3 Election and Term of Office of Elected Directors.....	12
Section 4.4 Enlargement or Reduction.....	12
Section 4.5 Resignation and Removal.....	12
Section 4.6 Vacancies.....	12
Section 4.7 Ex Officio Directors.....	13
Section 4.8 Place of Meetings.....	13
Section 4.9 Regular Meetings.....	13
Section 4.10 Special Meetings.....	13
Section 4.11 Action at Meeting, Adjournments.....	13
Section 4.12 Action by Consent.....	13
Section 4.14 Telephonic Meetings.....	14
Section 4.15 Inspection Rights.....	14
Section 4.16 Fees and Compensation.....	14
Section 4.17 Executive Committee.....	15
Section 4.18 Meetings of Committees of the Board of Directors.....	15

Section 4.19 Term of Office of Members of Committees of the Board of Directors.....	15
Section 4.20 Board Committees with Non-Directors.....	16
ARTICLE V CONSORTIUM COMMITTEES.....	16
Section 5.1 Standing Committees.....	16
Section 5.2 The Planning Committee.....	16
Section 5.3 The Technical Committee.....	17
Section 5.4 Legislative Committee.....	18
Section 5.5 Supporting Members Committee.....	19
Section 5.6 Communications Committee.....	20
ARTICLE VI OFFICERS.....	21
Section 6.1 Officers.....	21
Section 6.2 Tenure of Officers.....	21
Section 6.3 President.....	21
Section 6.4 Vice Presidents.....	22
Section 6.5 Secretary.....	22
Section 6.6 Assistant Secretaries.....	23
Section 6.7 Treasurer.....	23
Section 6.8 Assistant Treasurers.....	23
Section 6.9 Officer Bond.....	23
Section 6.10 Officer Compensation.....	24
ARTICLE VII NOTICES.....	24
Section 7.1 Delivery.....	24
Section 7.2 Waiver of Notice.....	24
ARTICLE VIII INDEMNIFICATION.....	24
Section 8.1 Actions other than by or in the Right of the Consortium.....	24
Section 8.2 Actions by or in the Right of the Consortium.....	25
Section 8.3 Success on the Merits.....	25
Section 8.4 Specific Authorization.....	25
Section 8.5 Advance Payment.....	25
Section 8.6 Non-Exclusivity.....	25
Section 8.7 Insurance.....	26
Section 8.8 Continuation of Indemnification and Advancement of Expenses.....	26
Section 8.9 Severability.....	26
Section 8.10 Intent of Article.....	26
ARTICLE IX Books and Records.....	26
Section 9.1 Books and Records.....	26
Section 9.2 Form of Records.....	27
Section 9.3 Reports to Directors, Members and Others.....	27
Section 9.4 Record Date.....	27
Section 9.5 Registered Members.....	27
ARTICLE X CERTAIN TRANSACTIONS.....	27
Section 10.1 Transactions with Interested Parties.....	27
ARTICLE XI GRANTS, CONTRACTS, LOANS, ETC.....	28
Section 11.1 Grants.....	28
Section 11.2 Execution of Contracts.....	28
Section 11.3 Loans.....	28

Section 11.4 Checks, Drafts, Etc.....	29
Section 11.5 Deposits.....	29
Section 11.6 Legal Review.....	29
ARTICLE XII GENERAL PROVISIONS.....	29
Section 12.1 Fiscal Year.....	29
Section 12.2 Reserves.....	29
Section 12.3 Seal.....	29
Section 12.4 Proprietary Rights.....	29
ARTICLE XIII ANTITRUST COMPLIANCE.....	30
Section 13.1 General.....	30
Section 13.2 Availability of Technology.....	30
Section 13.3 No Obligation to Endorse.....	30
ARTICLE XIV AMENDMENTS.....	30

# **ARTICLE I GENERAL**

## **Section 1.1 Name**

The California Association of Voting Officials, Inc. (CAVO) is referred to in these Bylaws as the “Consortium.”

## **Section 1.2 Purpose, Process and Organization**

(a) Vision and Mission: Our vision is a world in which voting systems are inexpensive, readily available, reliable, easy to use, accessible, universal, transparent, auditable, and produce verifiable election results. Our mission is to develop, maintain, and deliver a universal open voting system for use in public elections, including appropriate education, training, documentation, and certifications. Toward this end, the Consortium shall seek to:

(i) Involve developers and users of voting equipment, including vendors, integrators, government agencies, standards organizations, and academia, in collaborative development of open source voting system software, technology specifications, uniform election codes, and work to promote the delivery of interoperable products;

(ii) Synchronize our work with current and emerging voting technology standards based on open systems, distributed processing;

(iii) Provide an industry forum that promotes cooperative business development initiatives related to open voting systems;

(iv) The Consortium may also perform certification of technology conformant with the Consortium's standards and specifications, and perform other related research and experimentation in, and implementation of, related open systems standards and technology.

## **Section 1.3 Known Place of Business**

The known place of business of the Consortium (hereinafter the “principal office”) shall be initially located at 1477 Sanchez St., San Francisco CA 94131. The Board of Directors is hereby granted full power and authority to change the principal office from one location to another both within and without said state.

## **Section 1.4 Other Offices**

Branch or subordinate offices may at any time be established by the Board of Directors at any place or places.

## **Section 1.5 Nonprofit Status**

(a) The Consortium is organized and shall be operated as a non-stock, nonprofit

membership corporation organized under the Nonprofit Mutual Benefit Corporation Law of the State of California.

(b) The Consortium is designed to qualify as a 501(c)(6) organization exempt from federal income taxation consistent with the Internal Revenue Code.

## **ARTICLE II MEMBERS**

### ***Section 2.1 Basis and Conditions of Membership***

(a) The basis of Membership is a Member's interest in the goals and values of the Consortium.

(b) Conditions of Membership. Any individual, association, partnership, organization, company or corporation, which has an interest in the purposes of the Consortium, may become a member, upon satisfaction of the conditions provided below.

### ***Section 2.2 Classes of Membership***

(a) Strategic Membership level. With the approval of the Board of Directors, Strategic Membership is provided for organizations that wish to provide significant resources, over and above the level of Principal Membership fees, in support of Consortium programs and objectives, and that wish to play an active role both in setting the direction of the Consortium's technology specification activities and facilitating the use and acceptance of Consortium technology in markets of strategic value to the Consortium and its member organizations. Each Strategic Member has the right to place one voting member on each of the 5 committees: Planning, Technical, Legislative, Supporting, and Communications. In addition, a Strategic Member can designate a member of the Advisory Board (non-voting).

(b) Principal Membership level. Principal Membership is provided for organizations that wish to participate in the planning and management of the Consortium's technology development process. Each Principal Member can place a voting member on the Planning Committee and on the Technical Committee.

(c) Technical Committee Membership level. Technical Committee Members have voting rights in the Consortium's Technical Committee and the right to submit technology proposals for consideration by the Consortium.

(d) Associate Membership level. Each Associate Member, while in good standing, shall be entitled to designate one non-voting Technical Committee Representative and an alternate Technical Committee representative to participate in the Technical Committee and in such subcommittees, task forces, special interest groups, and working groups of the Technical Committee as the Technical Committee's Policies and Procedures may from time-to-time permit, and by this means to closely observe the Consortium's technology development process and participate in discussions that are part of this process. CAVO offers five types of Associate memberships:

(i) Commercial Associate Membership. Commercial Associate Membership shall apply to businesses, government agencies, and non-governmental organizations that are

not primarily educational in nature.

(ii) Small Company Commercial Associate Membership. Small Company Commercial Associate Membership shall apply to businesses that provide CAVO with documentation verifying that their annual revenue is less than such threshold as may be set from time-to-time by the Board of Directors and published at the CAVO web site.

(iii) Non-Government Organization / Not for Profit Associate Membership. Non-Government Organization / Not for Profit Associate Membership shall apply to private organizations that are not for profit, including groups that are organized on a local, national or international level, which pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development, and that are independent from government.

(iv) GovFuture Associate Membership. GovFuture Associate Membership shall apply to government-local bodies that include town, municipal or county-level entities and government-subnational bodies that include province or state-level entities, such as a province of Canada, a province or state of a member country of the European Union, or a state of the United States. GovFuture Associate membership fee shall be based on the number of voters within the jurisdiction. The fee per voter will be set from time-to-time by the Executive Board and may vary from country-to-country.

(v) University Associate Membership. University Associate Membership shall apply to “educational institutions” such as university departments, museums, science centers, research centers, schools, and training facilities.

(e) Supporting membership. Individuals who want to materially support CAVO's work may become supporting members for a small fee which may vary from country-to-country. This will enable the Supporting Member to participate in CAVO forums, receive the monthly newsletter, and receive discounts on CAVO conferences. Supporting Members will be represented on the Board of Directors by the Chair of the Supporting Membership Committee.

(f) The conditions, benefits, rights, privileges, and powers (if any) of any class of Members may be changed, and one or more additional classes of Membership in the Consortium may be created, and the conditions, benefits, rights, privileges, and powers of each such class may be prescribed, by adoption of an amendment to these Bylaws pursuant to Article XIV of the Bylaws. Such amendment may be proposed by the Planning Committee but must be made by the Board of Directors.

## ***Section 2.4 Deprivation or Suspension of Membership***

Any Member in good standing may be deprived of its Membership or be suspended as a Member for cause, and any Member not in good standing may be deprived of its Membership or can be suspended as a Member without cause, by action of the President, provided such action is approved by a majority vote of the Board of Directors. Any annual dues, assessments, other fees and/or penalties already paid shall not be refundable upon the Member's suspension or deprivation of Membership. No deprivation or suspension of Membership (other than for non-payment of dues, assessments or fees) shall be effective, however, unless:

(a) The Member is given notice of the proposed deprivation or suspension of Membership and of the reasons therefor;

(b) Such notice is delivered personally or by certified mail, return receipt requested, or by a national overnight courier service, sent to the last address of the Member shown on the Consortium's records;

(c) Such notice is given at least thirty (30) days prior to the effective date of the proposed deprivation or suspension of Membership;

(d) Such notice sets forth a procedure determined by the body (said body to consist of the Planning Committee or a subcommittee of the Planning Committee selected for that purpose by the Planning Committee) authorized to decide whether or not the proposed deprivation or suspension shall take place, whereby the Member is given the opportunity to be heard by such body, either orally (and represented by counsel if the Member so desires) or in writing, not less than five (5) days before the effective date of the proposed deprivation or suspension; and

(e) The reason for such deprivation of Membership is that the Member in question has violated the letter or spirit of the Membership agreement, and has acted in such a way as to materially harm the reputation, activities or property of the Consortium, or in other ways to interfere with or attempt to obstruct the activities and programs of the Consortium as defined by the Board of Directors and executed by the staff and Membership in its various committees, special interest groups, task forces and working groups. Any deprivation or suspension of Membership for non-payment of dues, assessments or fees may be effected in the manner set forth in Section 3.10.

## ***Section 2.5 Resignation by Member***

A Member may resign as a Member at any time and for any reason by sending a certified letter to the President stating its intention to resign. Any Member, upon learning of and not wishing to be subject to an amendment of Section 2.9 of these Bylaws, or to any adoption or amendment of any rule referred to therein, may avoid the effect of such change by resigning in the manner set forth above prior to the effective date of such amendment. In all instances of resignation, any annual dues, assessments, other fees and/or penalties already paid shall not be refundable, and the resigning Member shall remain liable for any accrued but unpaid dues.

## ***Section 2.6 Membership Book***

The name and address of each Member shall be contained in a Membership Book to be maintained at the principal office of the Consortium. Termination of any Membership shall be recorded in the book together with the date of such termination. Each Member shall be responsible for apprising the Consortium in writing of all changes to its name and address, and of the names and addresses of all representatives of such Member appointed to be members of committees or to receive notices or vote on behalf of such Member.



## **Section 2.7 Levy of Dues, Assessments or Fees**

(a) The Consortium may levy dues, assessments or fees upon its Members in such amount as may be proposed by the staff from time-to-time and approved by the Board of Directors. A Member, upon learning of any increase in dues, or of any levy of any assessments or fees, may avoid liability therefor by resigning from Membership prior to the date such dues, assessments or fees are due and payable, except where the Member is, by contract or otherwise, liable for such dues, assessments or fees. No provision of the Articles of Incorporation or Bylaws of the Consortium authorizing such dues, assessments or fees shall, of itself, create such liability. In no event shall the failure of a Member to pay any dues or assessments give rise to any claim in favor of the Consortium for consequential damages.

(b) It shall be the responsibility of the President, with the approval of the Board of Directors, to determine the Membership fee structure of the Consortium as part of the Consortium's business planning process. The fee structure can be changed at any time consistent with the business planning requirements of the Consortium, provided that all existing Membership agreements at the time of such change are allowed to be in effect to the end of their defined terms, and provided that a notice of such change is given to the Membership at least three months before the change is to take effect.

## **Section 2.8 Use of Names**

Any Member may disclose and publicize such Member's Membership in the Consortium. Unless requested to the contrary in writing by a Member at the time of application to the Consortium for Membership, the Consortium may publicize such Member's Membership in the Consortium.

## **Section 2.9 Rights in Intellectual Property and Security of Information:**

(a) All intellectual property, specifications, guidelines and any other technology or assets (collectively, "Consortium Technology") developed by the Consortium, whether developed by employees of Members while working in Consortium meetings, or by employees of the Consortium alone or with the assistance of employees or consultants of any Member(s), shall become the sole property of the Consortium, unless otherwise determined pursuant to such rules as the Board of Directors may adopt from time-to-time. In addition, all Consortium Technology, and all other technology and intellectual property rights which may be submitted to, adopted as, or included in, specifications or other output of the Consortium ("Submitted Technology"), and together with the Consortium Technology, "Technology"), shall be governed by such rules as the Board of Directors may from time-to-time adopt.

(b) Any amendment to the foregoing Subsection 2.9(a), and the adoption or amendment of any rule referred to therein, including without limitation relating to rights of publication, ownership, the license rights which Members and non-Members may be entitled to in Technology, and the fees (if any) which the Consortium may charge Members and non-Members for access to such Technology, shall (i) have prospective (only), and not retrospective effect, and (ii) shall not have an effective date less than sixty days from the date that the President gives a detailed notice of such change to all Members.

(c) No technology shall be made available by Members of the Consortium to non-

Members prior to general release of such Technology by the Consortium according to a release plan approved by the Consortium.

(d) These restrictions do not apply to software components under development, which are explicitly licensed under the General Public License (“GPL”).

## **ARTICLE III MEETINGS OF MEMBERS**

### ***Section 3.1 Time and Place of Meetings***

All meetings of the various committees of the Consortium shall be scheduled to be held at such place within or without the State of California and at such time as may be fixed from time-to-time by the Staff after consultation with the respective committees.

### ***Section 3.2 Regular Meetings of Committees***

Regular meetings of the various committees of the Consortium shall be scheduled at regular intervals during the calendar year and at such times as may be fixed from time-to-time by the Staff after consultation with the respective committees.

### ***Section 3.3 Special Meetings***

(a) Special meetings of any or all of the five standing Consortium Committees for any purpose or purposes permitted by law, the Articles of Incorporation or these Bylaws, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the Board of Directors or the President at the request in writing of a majority of the Board of Directors.

(b) Such requests shall state the purpose or purposes of the proposed meetings. Business transacted at any special meeting shall be limited to matters relating to the purpose or purposes stated in the notice of meeting.

### ***Section 3.4 Notice of Meetings***

Except as otherwise provided by law or these Bylaws, written notice (as defined in Section 7.1(a) of these Bylaws) of each Committee meeting of the standing committees, or such other committee as may be defined in these Bylaws and comprised in whole or in part by Members of the Consortium, regular or special, stating the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, and such other information as may be required by law, shall be given not less than two weeks nor more than sixty days before the date of the meeting, to each Member entitled to attend such meeting.

### ***Section 3.5 Voting List***

The officer who has charge of the Membership Book of the Consortium shall prepare and make a complete list of the Members entitled to vote at each meeting of any of the standing committees, or meeting of such other committee as may be defined in these Bylaws and comprised in whole or in part by Members of the Consortium, arranged in alphabetical order, and showing the address of each such Member. Nothing contained in this Section shall require the Consortium to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination

of any Member, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting:

(i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or

(ii) during ordinary business hours, at the principal place of business of the Consortium.

In the event that the Consortium determines to make the list available on an electronic network, the Consortium may take reasonable steps to ensure that such information is available only to Members of the Consortium. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any Member who is present.

### ***Section 3.6 Quorum***

The quorum for any meeting of the board of directors shall be a simple majority.

### ***Section 3.7 Adjournments***

Any meeting of the any of the standing committees, or a meeting of such other committee as may be defined in these Bylaws and comprised in whole or in part by Members of the Consortium, may be adjourned from time-to-time to any other time and to any other place at which such a meeting may be held under these Bylaws.

### ***Section 3.8 Action at Meetings***

Unless the question is one upon which by express provision of law, the Articles of Incorporation or these Bylaws, a different vote is required (in which case such express provision shall govern and control the decision of such question), when a quorum is present at any meeting, the vote of a majority of the Members present in person or represented by proxy and entitled to vote on the question shall decide any question brought before such meeting.

### ***Section 3.9 Voting and Proxies***

Except as otherwise provided in the Articles of Incorporation, each committee Member entitled to vote at such a meeting, or to express consent or dissent to corporate action in writing without a meeting, may authorize another person or persons to act for him or her by proxy.

### ***Section 3.10 Suspension of Rights for Non-Payment of Fees***

In the event that any Member is more than 90 days in arrears with regard to dues, assessments or fees owed to the Consortium, then until such payment has been made, all such Member's rights shall be suspended until such time as such payments have been made. If such payment has not been made in full within a further 30 days, such Membership shall automatically terminate.

### ***Section 3.11 Order of Business***

The order of business at all meetings of the standing committees shall be as determined by the presiding officer, but the order of business to be followed at any meeting at which a quorum is present may be changed by a vote of the Voting Members. Meetings shall be conducted under the guidance of Robert's Rules of Order.

# **ARTICLE IV THE BOARD OF DIRECTORS**

## ***Section 4.1 Powers and Responsibilities***

The business and affairs of the Consortium shall be governed by its Board of Directors, which shall be, and shall possess all of the powers of, the “Governing Body” of the Consortium as a not-for-profit membership corporation under California Nonprofit Mutual Benefit Corporation Law. The Board of Directors may exercise all powers of the Consortium and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the Members.

## ***Section 4.2 Number of Directors***

The total number of Directors shall be no less than two and no more than twenty-five, constituting all of the Director(s) elected by the Board of Directors and two appointed directors: the President, and Treasurer. There may be, in addition to these, ex officio Directors who may be appointed pursuant to Section 4.7.

## ***Section 4.3 Election and Term of Office of Elected Directors***

(a) Before the last meeting of the Board of Directors of the year preceding a new two year term of office for Directors, the Executive Committee, shall recommend to the Board of Directors a full slate of Director candidates who shall be respected industry, government, and academic leaders able to perform the duties of Directors as outlined in this Article IV, and who may include persons currently serving as Directors. Nominees and Directors need not be affiliated with Consortium's Member organizations. The Board shall vote to approve a slate of candidate directors.

(c) The term of office of all elected Directors shall be two years. The first two-year term shall begin January 1, 2014.

## ***Section 4.4 Enlargement or Reduction***

The number of Directors, the persons eligible to become Directors and the classes of any Members eligible to elect Directors may be amended at any time by a vote of two-thirds of the currently serving Directors.

## ***Section 4.5 Resignation and Removal***

Any Director may resign at any time upon written notice to the Consortium in writing or by electronic transmission at its principal place of business or to the President or Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event. Any Director may be removed, with or without cause, by the Executive Board. An Appointed Director may be removed with cause by a two-thirds affirmative vote. When any director misses two consecutive meetings an action may be initiated by the Executive Committee to do a formal review of whether that Director ought to remain on the Board.

## ***Section 4.6 Vacancies***

(a) A Vacancy on the Board of Directors caused by the death, resignation or removal of

any elected Director, or by an increase in the number of authorized elected Directors, may be filled by the usual process, that is, the Executive Committee shall offer a candidate or candidates for approval by a majority of the Board of Directors. The term of a Director so elected shall be the unexpired portion of the term of the Director, if any, whom the Director so elected is replacing, or until the next general election of Directors, in the case of an expansion of the Board.

(b) In the event of a vacancy or vacancies in the Board of Directors, the remaining Directors, except as otherwise provided by law or these Bylaws, may exercise the powers of the full Board until the vacancy or vacancies have been filled.

#### ***Section 4.7 Ex Officio Directors***

In addition to the elected and appointed Directors provided for in Sections 4.1, 4.3 and 4.4 the Board of Directors may elect such ex officio Directors as it may find appropriate.

#### ***Section 4.8 Place of Meetings***

The Board of Directors may hold meetings, both regular and special, either within or without the State of California.

#### ***Section 4.9 Regular Meetings***

Regular meetings of the Board of Directors may be held at such time and at such place as shall from time-to-time be determined by the Board, or by the President after due consultation with all of the Directors to maximize attendance at the meetings and timeliness of the meetings. Any Director who is absent from a meeting during which the time of such future meeting is set shall be given prompt notice of the time and place of such future meeting.

#### ***Section 4.10 Special Meetings***

Special meetings of the Board may be called by the President, Secretary, or on the written request of two or more Directors. Two calendar weeks notice to each Director, either personally or by telegram, cable, telecopy, commercial delivery service, telex, electronic transmission or similar means sent to his business or home address, or sixteen business days' notice by another form of written notice (as defined in Section 7.1(a) of these Bylaws), shall be given to each Director by the Secretary or by the officer or one of the Directors calling the meeting. A notice or waiver of notice or any waiver by electronic transmission of a meeting of the Board of Directors need not specify the purposes of the meeting.

#### ***Section 4.11 Action at Meeting, Adjournments***

Meetings of the Board of Directors are called to order by the President, and adjourned by the President. The President presents the agenda upon approval of the Executive Committee.

#### ***Section 4.12 Action by Consent***

(a) Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken by the Board of Directors may be taken without a meeting and without prior notice if a majority of Directors then in office (or such greater

number of Directors as may be required by law or the bylaws of the Consortium for the taking of any such action at a meeting) consent thereto in writing or by electronic transmission, and the writing or writings, or electronic transmission or transmissions, are filed with the minutes of proceedings of the Board of Directors, provided that:

(i) Such written consent shall have been sent simultaneously to all Directors then in office for their consideration;

(ii) Prompt written notice (as defined in Section 7.1.a of these Bylaws) of any action so taken is given to those Directors who have not consented in writing or by electronic transmission; and

(iii) Two or more such Directors have not objected to the taking of any such action by written notice delivered to the Consortium within ten business days following the date that written notice of the Directors action is mailed or otherwise delivered to such Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

(b) Notwithstanding the foregoing, the ability of two or more non-consenting Directors to prevent the taking of an action by written consent under clause 4.12(a)(iii) above shall not prevent any such action from being taken at a later date at an actual meeting of the Board of Directors.

(c) Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of any committee of the Board of Directors may be taken in the manner set forth in the preceding clauses 4.12(a) and (b).

#### ***Section 4.14 Telephonic Meetings***

Unless otherwise restricted by the Articles of Incorporation or these Bylaws, members of the Board of Directors or of any committee thereof may participate in a meeting of the Board of Directors or of any committee, as the case may be, by means of conference telephone, video conference equipment, or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

#### ***Section 4.15 Inspection Rights***

Every Director shall have the absolute right at any time to inspect, copy and make extracts of, in person or by agent or attorney, all Consortium books, records and documents of every kind and to inspect the physical properties of the Consortium.

#### ***Section 4.16 Fees and Compensation***

Directors shall not receive any stated salary for their services as Directors, but, by resolution of the Board of Directors, a fixed fee may be allowed for attendance at each meeting. Directors may be reimbursed in such amounts as may be determined from time-to-time by the Board of Directors for expenses incurred while acting on behalf of the Consortium and/or expenses incurred in attending

meetings of the Board of Directors. Nothing herein contained shall be construed to preclude any Director from serving the Consortium in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefor. The Directors may also allow compensation for members of committees for service on such committees.

#### **Section 4.17 Executive Committee**

(a) The Executive Committee conducts the business of The Consortium, taking direction from and being informed by its consultants, the Advisory Committee, the standing Committee Chairs, and the Board of Directors.

(b) Upon startup of The Consortium, the Executive Committee shall consist of the CAVO incorporators, with Kammi Foote as President and Tim Mayer as Treasurer/Chief Financial Officer, and acting Secretary.

(c) The Board of Directors shall have as their first order of business, at the first meeting of their two-year term, the election of an Executive Committee. The President shall nominate Executive Committee candidates for the Board's approval. The number of Directors on the Executive Committee shall be set at such meeting or by resolution adopted by a majority of the Directors then in office (provided a quorum is present). The Board of Directors may designate one or more Directors as alternate members of such committee, who may replace any absent member at any meeting of such committee.

(d) Executive Committee members are also officers of the corporation as described in Article VI of these Bylaws. The officers of CAVO include the President, Secretary, and Treasurer. In addition, one or more Vice Presidents may be appointed by the Board of Directors to be included as Executive Committee Member.

(e) The Treasurer/CFO shall keep the Board of Directors informed of the business status of the consortium, and shall make records of all financial transactions readily available to all Directors.

(f) The Executive Committee, subject to any limitations imposed by the Articles of Incorporation, by these Bylaws, or by statute, shall have and may exercise all of the powers of the Board of Directors.

#### **Section 4.18 Meetings of Committees of the Board of Directors**

Except as otherwise provided in these Bylaws or by resolution of the Board of Directors, each committee of the Board of Directors may adopt its own rules governing the time and place of holding and the method of calling its meetings and the conduct of its proceedings and shall meet as provided by such rules, but unless otherwise provided by resolution of the Board of Directors or in such rules, its business shall be conducted as nearly as possible in the same manner as is provided in these Bylaws for the conduct of the business the Board of Directors.

#### **Section 4.19 Term of Office of Members of Committees of the Board of Directors**

Each member of a committee of the Board of Directors shall serve at the pleasure of the Board of Directors.

## **Section 4.20 Board Committees with Non-Directors**

From time-to-time, the Board of Directors may establish additional committees and sub-committees whose members need not be Directors.

# **ARTICLE V CONSORTIUM COMMITTEES**

## **Section 5.1 Standing Committees**

The Consortium shall have five “standing committees,” namely, Planning, Technical, Legislative, Supporting Members, and Communications.

## **Section 5.2 The Planning Committee**

A Consortium Planning Committee shall be established that shall have such rights and privileges as shall from time-to-time be established by the Board of Directors, and that shall meet at such times and places as provided in Article III hereof and shall operate in accordance with such rules as shall from time-to-time be established by the Board of Directors or such committee. The membership and functions of the Planning Committee shall be as follows:

(a) Membership in the Planning Committee

(i) Each Principal Member of the Consortium shall be a voting member of the Planning Committee.

(ii) Each Strategic Member of the Consortium shall be a voting member of the Planning Committee.

(iii) The President shall appoint a Consortium staff member to be Chairman and a voting member of the Planning Committee.

(iv) The President may appoint a Consortium staff member to be Vice Chairman and a voting member of the Planning Committee.

(v) Each member of the Executive Committee of the Board of Directors shall be a voting member of the Planning Committee.

(vi) The primary liaison between the organized standards community and the Technical Committee shall be a voting member of the Planning Committee.

(vii) Two representatives of the Technical Committee from the group of Technical Committee organizations shall be voting members of the Planning Committee.

(b) Planning Committee Functions: Subject to oversight of the Board of Directors, the Planning Committee shall have the responsibility for performing the following functions:

(i) Development and maintenance of the Consortium's business plan;



(ii) Strategic technology planning regarding the Consortium's development of open voting specifications which have the greatest possible chance of being adopted in the market;

(iii) Ratification of Open Voting Specification development plans, release schedules, conformance testing plans, and any other major documents produced by the Technical Committee;

(iv) Final acceptance of Open Voting Implementation Specifications as reported out of the Technical Committee;

(v) Development of the Consortium's message and strategic positioning within the IT community and formulation of the Consortium's Information Community and market outreach strategies;

(vi) Maintenance of policies and procedures that establish the Planning Committee's internal organization and process. Such organization and process may involve the creation of such subcommittees, ad hoc working groups, or task forces as the Management Committee deems necessary. The Board of Directors has the authority to review the document containing "Planning Committee policies and procedures" to be sure they are consistent with the implementation of corporate strategy, and the Board of Directors must ratify all modifications of such policies and procedures as from time-to-time proposed by the Planning Committee.

### **Section 5.3 The Technical Committee**

A Consortium Technical Committee shall be established that shall have such rights and privileges as shall from time-to-time be established by the Board of Directors, and that shall meet at such times and places as provided in Article III hereof and shall operate in accordance with such rules as shall from time-to-time be established by the Board of Directors or such committee.

The membership and functions of the Technical Committee shall be as follows:

(a) Membership in the Technical Committee:

(i) Each Technical Member of the Consortium shall be a voting member of the Technical Committee.

(ii) Each Principal Member of the Consortium shall be a voting member of the Technical Committee.

(iii) Each Strategic Member of the Consortium shall be a voting member of the Technical Committee.

(iv) The President shall appoint a Consortium staff member to be Chairman and a voting member of the Technical Committee.

(v) The President may appoint a Consortium staff member to be Vice Chairman and a voting member of the Technical Committee.

(b) Technical Committee Functions. Subject to the oversight of the Planning Committee, the Technical Committee shall have the authority to perform the following functions:

(i) Development of the Open Voting Specification and software through a cooperative consensus process involving the Members;

(ii) Creation of its own internal organization and process, which it shall submit for the approval of the Planning Committee. Such organization and process may involve the creation of such Task Forces, Special interest Groups (SIGs), Working Groups and Subcommittees as the Technical Committee deems necessary. The Planning Committee shall have the authority to modify the Technical Committee process and must ratify all revisions of said process as from time-to-time proposed by the Technical Committee; and,

(iii) Presentation of version drafts of the Open Voting Abstract Specification and Open Voting Implementation Specifications, and any other related major documents to the Planning Committee for approval.

(iv) To reconcile Consortium architecture and development methodologies with prevailing trends in the IT industry and standards community and to make recommendations to the Membership accordingly;

(v) To make recommendations to the Planning Committee concerning acceptance of Technical Committee technology proposals; and

(vi) To inform the Board of Directors on a regular basis of the positioning of Consortium architecture and relevant technology developments.

#### **Section 5.4 Legislative Committee**

A Consortium Legislative Committee shall be established that shall have such rights and privileges as shall from time-to-time be established by the Board of Directors, and that shall meet at such times and places as provided in Article III hereof and shall operate in accordance with such rules as shall from time-to-time be established by the Board of Directors or such committee.

(a) Membership in the Legislative Committee:

(i) Each Strategic Member of the Consortium shall be a voting member of the Legislative Committee.

(ii) The President shall appoint a Consortium staff member to be Chairman and a voting member of the Legislative Committee.

(iii) The President may appoint a Consortium staff member to be Vice Chairman and a voting member of the Legislative Committee.

(b) Legislative Committee Functions. Subject to the oversight of the Planning Committee, the Legislative Committee shall have the authority to perform the following functions:

(i) Compile a database of election law in California, the US, and around the world;

(ii) Identify existing legal code consistent with the CAVO model, and identify legal code that should be changed;

(iii) Make legislative proposals where CAVO has representation, and work to get those proposals put into law;

(iv) Identify bills in legislatures that need CAVO support, and bills that need to be opposed by CAVO. Develop appropriate strategies for supporting or opposing bills so identified.

### **Section 5.5 Supporting Members Committee**

A Consortium Supporting Members Committee shall be established that shall have such rights and privileges as shall from time-to-time be established by the Board of Directors, and that shall meet at such times and places as provided in Article III hereof and shall operate in accordance with such rules as shall from time-to-time be established by the Board of Directors or such committee.

(a) Membership in the Supporting Members Committee:

(i) Each Strategic Member of the Consortium shall be a voting member of the Supporting Members Committee.

(ii) The President shall appoint a Consortium staff member to be Chairman and a voting member of the Supporting Members Committee.

(iii) The President may appoint a Consortium staff member to be Vice Chairman and a voting member of the Supporting Members Committee.

(iv) Each member of the Executive Committee of the Board of Directors shall be a voting member of the Planning Committee.

(v) The Supporting Members Chair may, with approval from the Executive Committee, appoint additional Directors or non-Directors to be committee members.

(b) Supporting Members Committee Functions. Subject to the oversight of the Planning Committee, the Supporting Members Committee shall have the authority to perform the following functions:

(i) Maintain a complete list of Supporting Members;

(ii) Establish 2-way communications with Supporting Members, which may include electronic forums, newsletters, polls, email, in-person meetups, and conferences;

(iii) Open Voting Evangelism: Initiate and implement programs to expand the number of Supporting Members worldwide;

(iv) Develop and maintain metrics regarding effectiveness of member outreach/recruitment programs and retention programs;

(v) Present status of Supporting Members programs at each meeting of the Board of Directors;

(vi) Investigate best ways to collect small monthly dues (e.g., \$10 per month) automatically, depending on local factors.

(vii) With approval of the Planning Committee, establish reasonable fees for developing democracies around the world.

(viii) Upon approval of the Executive Committee or as required by law, some information and/or technology developed by the Supporting Members Committee may be shared with entities outside of CAVO. Otherwise, the Supporting Members Committee shall keep this information and technology confidential in accordance with sections 2.9 and 12.4 of these Bylaws.

## **Section 5.6 Communications Committee**

A Consortium Communications Committee shall be established that shall have such rights and privileges as shall from time-to-time be established by the Board of Directors, and that shall meet at such times and places as provided in Article III hereof and shall operate in accordance with such rules as shall from time-to-time be established by the Board of Directors or such committee.

(a) Membership in the Communications Committee:

(i) Each Strategic Member of the Consortium shall be a voting member of the Communications Committee.

(ii) The President shall appoint a Consortium staff member to be Chairman and a voting member of the Communications Committee.

(iii) The President may appoint a Consortium staff member to be Vice Chairman and a voting member of the Communications Committee.

(iv) The Communications Chair may, with approval from the Executive Committee, appoint additional Directors or non-Directors to be committee members.

(b) Communications Committee Functions. Subject to the oversight of the Executive Committee, the Communications Committee shall have the authority to perform the following

functions:

- (i) Issue press releases;
- (ii) Organize press conferences;
- (iii) Organize public events, forums, demonstrations;
- (iv) Provide point-of-contact for media inquiries;
- (v) Enhance CAVO's web presence;
- (vi) Direct social media campaign;
- (vii) Devise strategies to build the CAVO brand around the world.

## **ARTICLE VI OFFICERS**

### ***Section 6.1 Officers***

(a) The officers of the Consortium shall be a President, a Treasurer, and a Secretary. The President shall be chair of the Board of Directors and Chief Executive Officer of the Consortium. The Consortium may also have, at the discretion of the Board of Directors, one or more Vice Presidents, one or more Assistant Secretaries and/or Assistant Treasurers, and such other officers with such titles, terms of office and duties as may be elected in accordance with the provisions of Section 6.3. One person may hold two or more offices unless the Articles of Incorporation otherwise provides.

(b) Any individual may serve in one or more (or all) of the offices described within this Article VI.

### ***Section 6.2 Tenure of Officers***

Officers may be replaced in accordance to sections 4.5 and 4.6 of these Bylaws.

### ***Section 6.3 President***

The President shall be the Chief Executive Officer of the Consortium. The President shall, unless the Board of Directors provides otherwise in a specific instance or generally, preside as Chairman at all meetings of the Board of Directors, have general management of the business of the Consortium and see that all orders and resolutions of the Board of Directors are carried into effect. Without limiting the foregoing, the President shall:

(a) Execute bonds, mortgages, and other contracts requiring a seal, under the seal of the Consortium, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Consortium; all such instruments and contracts shall have been approved by legal counsel;

- (b) Direct and administer the affairs of the Consortium, including setting compensation of non executive staff, and the hiring and discharge of office employees;
- (c) Have complete charge of the records of the Consortium (other than corporate records maintained by the Secretary);
- (d) Initiate and promote programs which serve and advance the purpose and objective of the Consortium;
- (e) Coordinate, assist and monitor all committees and their programs;
- (f) Direct all Consortium functions;
- (g) Submit an annual budget, together with supporting documentation;
- (h) Create, and update when necessary, employee job descriptions and hold individual annual reviews with each employee;
- (i) Serve as a member and chairman of the Board of Directors and any Executive Committee with full voting rights, except as to matters relating to his compensation or the terms of any agreement with the Consortium pursuant to which he is retained to render services; and
- (j) Perform such other duties as may from time-to-time be assigned by the Board of Directors and/or any Executive Committee.

### ***Section 6.4 Vice Presidents***

The Consortium may have one or more Vice Presidents. The Vice President shall assist the President and the Executive Board, and shall contribute to business planning, management of the corporate budgeting, communications, and overall operations of the Consortium.

In the absence of the President, or in the event of the inability or refusal to act, the Vice President, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

### ***Section 6.5 Secretary***

The Secretary shall have such powers and perform such duties as are incident to the office of Secretary, and shall:

- (a) Prepare and maintain, or cause to be prepared and maintained, lists of Members and their addresses as required;
- (b) Attend all meetings of the Board of Directors and all meetings of the Planning Committee and record all the proceedings of these meetings in a book to be kept for that purpose, and shall perform like duties for the standing committees when required;

(c) Give, or cause to be given, notice of all meetings of all regular and special meetings of the Board of Directors, and shall perform such other duties as may be from time-to-time prescribed by the Board of Directors, and shall be under their supervision; and

(d) Have custody of the corporate seal of the Consortium and the Secretary, or an Assistant Secretary, shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by signature of the Secretary or by the signature of such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Consortium and to attest the affixing by such officer's signature.

### ***Section 6.6 Assistant Secretaries***

The Assistant Secretary, or if there be more than one, the Assistant Secretaries in the order determined by the Board of Directors, the President or the Secretary (or if there be no such determination, then in the order determined by their tenure in office), shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board of Directors, the President or the Secretary may from time-to-time prescribe. In the absence of the Secretary or any Assistant Secretary at any meeting of Members or Directors, the person presiding at the meeting shall designate a temporary or acting Secretary to keep a record of the meeting.

### ***Section 6.7 Treasurer***

The Treasurer shall perform such duties and shall have such powers as may be assigned to him by the Board of Directors or the President. In addition, the Treasurer shall perform such duties and have such powers as are incident to the office of Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Consortium and shall deposit all moneys and other valuable effects in the name and to the credit of the Consortium in such depositories as may be designated by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, when the President or Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the Consortium.

### ***Section 6.8 Assistant Treasurers***

The Assistant Treasurer, or if there shall be more than one, the Assistant Treasurers in the order determined by the Board of Directors, the President or the Treasurer (or if there be no such determination, then in the order determined by their tenure in office), shall, in the absence of the Treasurer or in the event of his inability or refusal to act, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board of Directors, the President or the Treasurer may from time-to-time prescribe.

### ***Section 6.9 Officer Bond***

If required by the Board of Directors, any officer shall give the Consortium a bond in such sum and with such surety or sureties and upon such terms and conditions as shall be satisfactory to the Board of Directors, including without limitation a bond for the faithful performance of the duties of his office and for the restoration to the Consortium of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control and belonging to the Consortium.

## ***Section 6.10 Officer Compensation***

The compensation, if any, of the officers shall be fixed from time-to-time by the Board of Directors, and no officer shall be prevented from receiving such compensation by reason of the fact that the officer is also a Director of the Consortium. The President, although a member of the Board of Directors, shall not vote on matters relating to his or her compensation or duration in office.

## **ARTICLE VII NOTICES**

### ***Section 7.1 Delivery***

(a) For purposes of these Bylaws, “electronic transmission” means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

(b) Without limiting the foregoing, the Consortium adopts electronic mail as its principal source of communication with its Members. Each Member acknowledges and agrees that the Consortium shall not be under any obligation (except as required by law or these Bylaws) to send any notice to any Member by any means other than electronic mail, and it is therefore the responsibility of each Member to avail itself of and make such arrangements as may be necessary to receive notice in such fashion.

### ***Section 7.2 Waiver of Notice***

Whenever any notice is required to be given under the provisions of law or of the Articles of Incorporation or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, or a waiver by electronic transmission by the person entitled to notice, shall be deemed equivalent thereto.



## **ARTICLE VIII INDEMNIFICATION**

### ***Section 8.1 Actions other than by or in the Right of the Consortium***

The Consortium shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Consortium) by reason of the fact that he is or was a Director, ex officio member of the Board, officer, employee or agent of the Consortium, or is or was serving at the request of the Consortium as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Consortium, and, with respect to any criminal action or proceedings, had no reasonable cause to believe this conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Consortium, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

### ***Section 8.2 Actions by or in the Right of the Consortium***

The Consortium shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Consortium to procure a judgment in its favor by reason of the fact that he is or was a director, ex officio member of the Board, officer, employee or agent of the Consortium, or is or was serving at the request of the Consortium as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Consortium and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable unless and only to the extent that a Superior Court of the State of California or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which a Superior Court of the State of California or such other court shall deem proper.

### ***Section 8.3 Success on the Merits***

To the extent that any person described in Section 8.1 or 8.2 of this Article VIII has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in said Sections, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

### ***Section 8.4 Specific Authorization***

Any indemnification under Section 8.1 or 8.2 of this Article VIII (unless ordered by a court)

shall be made by the Consortium only as authorized in the specific case upon a determination that indemnification of any person described in said Sections is proper in the circumstances because he has met the applicable standard of conduct set forth in said Sections. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) by the Members of the Consortium.

### ***Section 8.5 Advance Payment***

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Consortium in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of any person described in said Section to repay such amount if it shall ultimately be determined that he is not entitled to indemnification by the Consortium as authorized in this Article VIII.

### ***Section 8.6 Non-Exclusivity***

The indemnification and advancement of expenses provided by, or granted pursuant to, the other Sections of this Article VIII shall not be deemed exclusive of any other rights to which those provided indemnification or advancement of expenses may be entitled under any Bylaw, agreement, vote of Voting Members or disinterested Directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

### ***Section 8.7 Insurance***

The Board of Directors may authorize, by a vote of the majority of the full Board, the Consortium to purchase and maintain insurance on behalf of any person who is or was a Director, ex officio member of the Board, officer, employee or agent of the Consortium, or is or was serving at the request of the Consortium as a Director, ex officio member of the Board, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Consortium would have the power to indemnify him against such liability under the provisions of this Article VIII.

### ***Section 8.8 Continuation of Indemnification and Advancement of Expenses***

The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall continue as to a person who has ceased to be a Director, ex officio member of the Board, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

### ***Section 8.9 Severability***

If any word, clause or provision of this Article VIII or any award made hereunder shall for any reason be determined to be invalid, the provisions hereof shall not otherwise be affected thereby but shall remain in full force and effect.

## ***Section 8.10 Intent of Article***

The intent of this Article VIII is to provide for indemnification and advancement of expenses to the fullest extent permitted under the Nonprofit Mutual Benefit Corporation Law of California. To the extent that such Section or any successor section may be amended or supplemented from time-to-time, this Article VIII shall be amended automatically and construed so as to permit indemnification and advancement of expenses to the fullest extent from time-to-time permitted by law.

## **ARTICLE IX Books and Records**

### ***Section 9.1 Books and Records***

The Consortium shall keep adequate and correct books and records of account, minutes of the proceedings of the Planning Committee and Technical Committee, the Board of Directors and committees of the Board of Directors, and a record of the Members giving their names and addresses and the class of Membership held by each.

### ***Section 9.2 Form of Records***

Minutes shall be kept in written form. Other books and records shall be kept either in written form or in any other form capable of being converted into written form.

### ***Section 9.3 Reports to Directors, Members and Others***

The Board of Directors shall cause such reports to be prepared, filed and/or distributed as may be required.

### ***Section 9.4 Record Date***

In order that the Consortium may determine the Members entitled to notice of or Members entitled to vote at any meeting of the Consortium or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any distribution, if any, permitted by law and the Consortium's then current federal and state tax status, or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty days nor fewer than ten days before the date of such meeting, nor more than sixty days prior to any other action to which such record date relates. A determination of Members of record entitled to notice of or Voting Members entitled to vote at a meeting of Members shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting. If no record date is fixed, the record date for determining Members entitled to notice of or Voting Members entitled to vote at a meeting of Members shall be at the close of business on the day before the day on which notice is given, or, if notice is waived, at the close of business on the day before the day on which the meeting is held. The record date for determining Members entitled to express consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the day on which the first written consent is delivered to the Consortium. The record date for determining Members for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution

relating to such purpose.

### **Section 9.5 Registered Members**

The Consortium shall be entitled to recognize the exclusive right of a person registered on its books as a Member or a representative of a Member to receive distributions, if any, and to vote, if such records indicate that such person is a Voting Member or a representative of a Voting Member, and to hold liable for fees, penalties and assessments a person or entity registered on its books as a Member, and shall not be bound to recognize any equitable or other claim to or interest in Membership on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the Nonprofit Mutual Benefit Corporation Law of California.

## **ARTICLE X CERTAIN TRANSACTIONS**

### **Section 10.1 Transactions with Interested Parties**

No contract or transaction between the Consortium and one or more of its Directors or officers, or between the Consortium and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board or committee thereof which authorizes the contract or transaction purpose, if:

(a) The material facts as to his or her relationship or interest and as to the contract or transaction are fully disclosed or are known to the Board of Directors or the committee, and the Board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors, even though the disinterested Directors be less than a quorum; or

(b) The material facts as to his relationship or interest and as to the contract or transaction are disclosed or are known to the Voting Members entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the Voting Members; or

(c) The contract or transaction is fair as to the Consortium as of the time it is authorized, approved or ratified, by the Board of Directors, a committee thereof, or the Voting Members.

## **ARTICLE XI GRANTS, CONTRACTS, LOANS, ETC.**

### **Section 11.1 Grants**

The making of grants and contributions, and otherwise rendering financial assistance for the purposes of the Consortium, may be authorized by the Board of Directors. The Board of Directors may authorize any officer or officers, agent or agents, in the name of and on behalf of the Consortium to make any such grants, contributions or assistance.

## ***Section 11.2 Execution of Contracts***

The Board of Directors may authorize any officer, employee or agent, in the name and on behalf of the Consortium, to enter into any contract or execute and satisfy any instrument, and any such authority may be general or confined to specific instances, or otherwise limited. In the absence of any action by the Board of Directors to the contrary, the President shall be authorized to execute such contracts and instruments on behalf of the Consortium.

## ***Section 11.3 Loans***

The President or any other officer, employee or agent authorized by the Board of Directors may effect loans and advances at any time for the Consortium from any bank, trust company or other institutions or from any firm, association or individual, and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of the Consortium, and when authorized by the Board of Directors so to do, may pledge and hypothecate or transfer assets of the Consortium as security for any such loans or advances. Such authority conferred by the Board of Directors may be general or confined to specific instances or otherwise limited.

## ***Section 11.4 Checks, Drafts, Etc.***

All checks, drafts and other orders for the payment of money out of the funds of the Consortium, and all notes or other evidences of indebtedness of the Consortium, shall be signed on behalf of the Consortium in such manner as shall from time-to-time be determined by resolution of the Board of Directors.

## ***Section 11.5 Deposits***

The funds of the Consortium not otherwise employed shall be deposited from time-to-time to the order of the Consortium in such banks, trust companies, or other depositories, or shall be otherwise invested, as the Board of Directors may select or direct, or as may be selected or directed by an officer, employee or agent of the Consortium to whom such power may from time-to-time be specifically delegated by the Board of Directors.

## ***Section 11.6 Legal Review***

In the ordinary course, but subject to the judgment of the President in any given case, all material contracts and commitments shall be reviewed by legal counsel.

# **ARTICLE XII GENERAL PROVISIONS**

## ***Section 12.1 Fiscal Year***

The fiscal year of the Consortium shall be determined, and may be changed, by resolution of the Board of Directors.

## ***Section 12.2 Reserves***

The Directors may set apart out of any funds of the Consortium a reserve or reserves for any proper purpose and may abolish any such reserve.

### **Section 12.3 Seal**

The Board of Directors may, by resolution, adopt a corporate seal. The corporate seal shall have inscribed thereon the name of the Consortium, the year of its organization and the word "California." The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise. The seal may be altered from time-to-time by the Board of Directors.

### **Section 12.4 Proprietary Rights**

(a) All information disclosed by any participant during any official meeting or activity of the Consortium, including but not limited to Board meetings, meetings of standing committees, Sub-committee meetings, electronic mail or the like, shall be deemed to have been disclosed on a non-confidential basis, and, subject to rights and restrictions represented by valid patents, patent applications, and Federal and international statutory copyrights (no waiver of any rights pertaining to which shall be implied from such disclosure or the terms of this Section 12.4), may be used by anyone without restriction.

(b) Except as provided in Section 2.9 or otherwise in these Bylaws, no express or implied right, whether by implication, estoppel, or otherwise, to any patent, copyright, trademark, trade secret, or other intellectual property right of any Member is or shall be deemed to be granted to the Consortium or to any other Member by reason of its Membership in or participation in the activities of the Consortium, except as may be provided in a separate written agreement.

(c) No Member shall at any time be required to exchange proprietary information with any other Member solely by reason of its being a Member of the Consortium.

## **ARTICLE XIII ANTITRUST COMPLIANCE**

### **Section 13.1 General**

The Consortium will conduct all of its activities in conformance with all international and U.S. federal and state antitrust laws, including the Sherman Act, the Clayton Act, the Robinson-Patman Act and the Federal Trade Commission Act. The Board of Directors and the President of the Consortium shall consult legal counsel and seek legal review whenever necessary to ensure that the activities of the Consortium are conducted in conformance with such laws.

### **Section 13.2 Availability of Technology**

It is the good faith objective of the Consortium to make all Technology available as soon as its development and adoption by the Consortium is complete to all Members, and to all Members simultaneously, who have not participated in the development or determination of such Technology as well as to all those who have participated on the same terms, and to make all such Technology available to all non-Members on fair and reasonable terms and conditions.

### **Section 13.3 No Obligation to Endorse**

No Member shall, by reason of its Membership or participation in the Consortium or otherwise,

be obligated to license, use or endorse any Technology developed or endorsed by the Consortium, or to conform any of its products to any standards or specifications developed or adopted by the Consortium, nor shall any such Member be precluded from independently licensing, using or endorsing similar intellectual property, software, specifications or documentation developed by it or by others.

## **ARTICLE XIV AMENDMENTS**

These Bylaws may be altered, amended or repealed or new Bylaws may be adopted by the Board of Directors, except where such power is expressly limited or reserved to the Members (or any class or classes of Members) by law or the Articles of Incorporation, at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors.