

**BY-LAWS  
OF  
SAN FRANCISCO BASQUE CULTURAL CENTER, INC.**

**ARTICLE I OFFICES**

**Section 1.01** The principal office of the corporation for the transaction of its business is located in the County of San Mateo, State of California.

**Section 1.02** The County of the corporation's principal office can be changed only by Amendment of the Articles of Incorporation of this corporation and not otherwise. The Board of Directors may however change the principal office from one location to another within the named county by voting the changed address and effective date below, and such change of address shall not be deemed an amendment of these By-Laws.

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**Section 1.03** The Corporation may also have offices at such other places, within or without the State of California where it is qualified to do business, as its business may require and as the Board of Directors may from time to time designate.

**ARTICLE 2 MEMBERS**

**Section 2.01** The corporation shall have two ( 2 ) classes of members, ( 1 ) Regular members, ( 2 ) Associate Members.

Regular members shall have voting and property rights as specified in Section 3.11 hereof. Associate members have no voting or property rights. In all other respects, the rights, interests, and privileges of each member, regardless of his classification, in the corporation are equal except that the matter of guest use of recreational facilities may differ between Regular and Associate Members by actions of the Board of Directors.

**Section 2.02** (a) Any person over the age of twenty-one (21) is qualified to become a Regular member or an Associate Member. Any person of any age can inherit a Regular membership upon the death of a member.

Regular members under the age of twenty-one who have inherited their membership will have all the property rights as specified in section 3.11, but will have no voting rights and no right to run for the Board of Directors until they turn twenty-one.

(b) A person inheriting a membership is obliged to follow the application process for membership. Associate Membership shall terminate with the termination of the holder of the Associate Membership.

**Section 2.03** Applicants shall be admitted to membership upon making application in writing endorsed by two (2) or more members, payment of the application fee and the first months dues as herein specified, on approval of a majority of Directors at which a quorum as defined in Section 4.09 hereof, is present.

**Section 2.04** Membership Fees (Application fees are refundable if application is not approved):

1. The fee for a Regular Membership shall be \$4,000.00 until such time as the same is changed by resolution of the Board of Directors (amended on March 1, 1982).
2. The fee for a Regular Membership for children of Regular Members who are 21 years of age shall be \$1,000, until their 22<sup>nd</sup> birthday.
3. The fee for a Regular Membership for persons who are 21 and who are of Basque ancestry shall be \$1,500, until their 22<sup>nd</sup> birthday, and this Regular Membership will be nontransferable for ten (10) years.
4. Associate Members shall pay a fee of \$500.00 for a single person; and \$1000.00 for a Family Associate Membership which includes children up to the age of 21 years (amended in April, 1983).

**Section 2.05** The annual dues to the corporation by members of each class shall be in such amounts as may be determined from time to time by resolution of the Board of Directors and no additional or future payments other than assessments shall be required of him. The Board of Directors may provide for monthly or annual dues by resolution. If dues are set on an annual basis they are to be payable on the 1st day of each fiscal year or calendar year as determined by the Board of Directors and fixed by resolution. If dues are set on an annual basis, annual dues of new members shall be prorated from the first day of the month in which such new member is admitted to membership for the balance of the business year established. On December 11, 1991, membership dues were set at \$5.00 per month. If a member becomes delinquent in dues in the amount of \$1000.00, that member shall immediately have his/her membership cancelled. If an associate member is delinquent in dues in the amount of \$60.00, that associate membership shall be immediately cancelled (amended on March 9, 1987).

**Section 2.06** Memberships are subject to assessments which may be levied and collected pursuant to resolutions of the Board of Directors.

**Section 2.07** Certificates of membership shall be issued evidencing membership in the corporation. Each such certificate shall state on its fact that the corporation is nonprofit. The form, size, and contents of the certificate in all other respects shall be as fixed from time to time

by resolution of the Board of Directors. Each certificate shall be signed by the President and Secretary of the corporation and shall be sealed with the seal of the corporation. All certificates evidencing membership of a certain class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefore on such terms and subject to such conditions as the Board of Directors may determine. Whenever an applicant is admitted to membership, a membership certificate shall be issued in his name and delivered to him by the Secretary.

**Section 2.08** There is no limit on the number of members the corporation may admit.

**Section 2.09** The Corporation shall keep a membership book containing the name and address of each member. Termination of the membership of any member shall be recorded in the book, together with the date on which such membership ceased. Such book shall be kept at the corporation's principal office and shall be available for inspection by any Director or member of the corporation during regular business hours.

**Section 2.10** No member of the corporation shall be personally liable for the debts, liabilities or obligations of the corporation.

**Section 2.11** Any Regular Member may transfer his membership on such terms and under such conditions as may be fixed by resolution of the Board of Directors including the establishment of a transfer fee. Associate Memberships shall be non-transferable.

**Section 2.12** (a) The membership of any member of the corporation shall immediately terminate upon (1) his written request for such termination delivered to the President or Secretary of the corporation personally or by United States mail; such membership shall terminate when the request is delivered personally or deposited in the United States mail; (2) on his death providing that such termination shall not relieve the member resigning or his estate in the event of termination by death of the obligation to pay any dues, assessments, or other charges theretofore accrued and unpaid.

(b) The membership of any member who fails to pay his dues when they become due and payable and within thirty (30) days thereafter shall automatically terminate at the end of such thirty (30) day period, provided he was given written notice delivered to him personally or by United States mail within ten (10) days before the due date that such dues were due and payable as of said due date. In the event that such written notice is not given as herein required, then such membership shall automatically terminate for non-payment of dues only if they are not paid within thirty (30) days after such written notice is actually given and delivered to the member in person or deposited in the United States mail postage prepaid, and sent to him at his address as it appears on the book of the corporation.

(c) All rights of a member in the corporation or in its property or the use of any facilities shall cease on termination of the membership.

(d) Any member whose membership is terminated as provided in this section, other than by death, may have his membership reinstated upon such terms as the Board of Directors may deem appropriate by filing a written request therefore with the President or Secretary of the corporation or with any Director and upon approval by a majority of the Board of Directors present at the meeting at which the request is considered, provided that such request shall not be considered at any meeting at which a quorum is not present.

**Section 2.13** (a) Any member can be censured, suspended or expelled from the corporation for good cause, provided he is given notice of the proceedings against him and an opportunity to be heard in his own defense, and only after such hearing before the Board of Directors and by a majority vote of the Board of Directors at a meeting at which a quorum, as hereinafter defined, is present and the matter heard, and not otherwise. Each Director present shall have one (1) vote and the question of censure, suspension, or expulsion and voting by proxy on the question shall not be permitted.

(b) Proceedings under this section shall be initiated by resolution of the Board of Directors or on the failure of the Board to act, by petition of at least twenty (20) percent of the voting members of the corporation presented to the President or Secretary of the corporation. On adoption of the resolution a receipt of the petition, as the case may be, the President or Secretary shall schedule the matter to be heard at the first regular or special meeting of the directors held not less than twenty (20) nor more than forty (40) days after the date the resolution is adopted or the petition received. The Secretary or other person appointed by the President for that purpose, shall deliver, at least ten (10) days prior to the date of the hearing, a copy of the resolution or petition together with the notice the time and place of hearing, to the subject member either in person or by United States mail addressed to him at his address as it appears on the books of the corporation. Should the person whose duty it is to serve the notice fail or refuse to do so, such copy and notice may be delivered as herein provided by any director of the corporation, or by any member signing the petition where proceedings are initiated by petition and, in such event, the matter at which a quorum is present, held not less than ten (10) days after the copy and notice are personally deposited in the United States mail. If a quorum fails to attend such meeting, the matter shall be heard at the next succeeding regular or special meeting, provided, however, that if a quorum fails to attend such next succeeding regular or special meeting, the matter against the member shall be dismissed on the ground that failure to secure a quorum at either of two meetings constitutes a tacit vote of the directors against imposition of discipline. Such dismissal of the matter shall be automatic and final, except that the alleged conduct giving rise to the proceeding may be considered at any subsequent proceeding under this section based on future alleged misconduct of the merit.

(c) Notwithstanding any other provision in these By-Laws, the notice of the meeting at which the hearings is first scheduled, subsequently scheduled must be given to all directors as required by these By-Laws for special meetings of directors.

(d) The hearing shall be informal and shall be presided over by the President of the corporation who shall (1) read the charges against the subject members; (2) require that the charges be verified by the testimony of the person or persons making them; (3) hear any other witnesses against the subject member; (4) allow the subject member to cross-examine each

witness following the testimony of that witness; (5) allow the subject member to make a statement in his own behalf; (6) allow the directors present, when and as recognized by the chair, and subject to control of the chair, to question the witnesses after they have been questioned by the subject member.

(e) If a majority of the directors present at the hearing vote to impose discipline but cannot agree on the nature and extent thereof, the discipline imposed shall be a reproof in letter form, signed by the President of the corporation. The original letter shall be filed with the minutes of the meeting at which the hearing was held and a copy thereof sent by registered or certified mail, return receipt requested, which receipt shall be filed with the original letter, addressed to the member at his address as it appears on the books of the corporation. The vote imposing discipline or dismissing the matter shall in either event be final.

(f) An expelled member shall not be eligible for reinstatement or readmission of the corporation.

(g) Good cause as used herein requires that the member (1) has failed and continues to fail to abide by the Articles of Incorporation or By-Laws of the corporation or with the Rules and Regulations of the Board of Directors; or (2) have committed or is in the course of committing some act or acts prejudicial to the purpose of the corporation; or (3) has failed and continues to fail to pay any fine imposed on him in proceedings under this section. In the later case, the member shall be automatically expelled on failure to pay the fine within the time limit stated in the resolution imposing that discipline or within such longer period as may be allowed by the Board of Directors.

(h) All rights of the members of the corporation shall cease on his expulsion.

**Section 2.14** Except for voting privileges, the Basque chaplain shall enjoy all other privileges offered to members. (Amended on March 9, 1992)

### **ARTICLE III MEETING OF MEMBERS**

**Section 3.01** Meetings of members shall be held at the principal office of the corporation or at such other place or places within or without the State of California as may be designated from time to time by a resolution of the Board of Directors.

**Section 3.02** The members shall meet annually on the second Sunday each June (Amended March 11, 1980) at 10:00 a.m. for the purpose of transacting such business as may come before the meeting or for the purpose of electing the Directors and transacting such other business as may come before the meeting. If the election of the Directors shall not be held any such annual meeting or at an adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members or by notice addressed to the members by United States mail, postage prepaid, to his or her address as it appears on the books of the corporation. The members shall also meet for a general informational meeting to be held on the third Sunday of November.

**Section 3.03** Special meetings of the members shall be called by the President, by the Secretary, or by any two (2) Directors of the corporation held at such times and places within or without the State of California as may be ordered by resolution of the Board of Directors or by members holding not less than ten (10) percent or more of the voting power of the corporation.

**Section 3.04** Written or printed notice of the time and place of every special meeting shall be delivered personally to each member entitled to vote or sent to him by United States mail, postage prepaid, or by telegram, at least seven (7) days prior to such meeting. If sent by mail or telegram, the notice shall be addressed to the member at his address shown on the books of the corporation and shall be deemed to be given at the time it is deposited in the mail or delivered to the telegraph company. The notice shall be given by the Secretary or other person designated by the President or, on the neglect or refusal of the person charged with such duty to do so, by any Director or member of the corporation who for the purpose of giving such notice, shall have made available to him at the principal office of the corporation during regular hours the membership books. Notice of all regular meetings including annual meetings is hereby dispensed with, except where such meeting is held on a different day not herein designated, and excepts that no action shall be taken on any of the following proposals at any regular meeting unless written notice of the general nature of the business or proposal has been given as in the case of a special meeting: (a) a proposal to sell, lease, convey, exchange, transfer, or otherwise dispose of all or substantially all of the property or assets of the corporation except under Section 3900 of the Corporations Code; (b) a proposal to merge or consolidate with another corporation, domestic or foreign; (c) a proposal to amend the Articles of Incorporation or (d) a proposal to wind up and dissolve the corporation.

**Section 3.05** Notice of meetings of members not hereby dispensed with shall specify the place, the date, and the hour of the meeting and, in the case of special meetings, the general nature of the business to be transacted.

**Section 3.06** The presence in person or by proxy of the persons holding ten (10) percent of the voting power of the corporation constitutes a quorum for the transaction of business.

**Section 3.07** In the absence of a quorum, any meeting of the members may be adjourned from time to time by the vote of the majority of voting members present but no other business shall be transacted.

**Section 3.08** When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. When a meeting is adjourned for less than thirty (30) days, it is not necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat other than by announcement at the meeting at which the adjournment is taken.

**Section 3.09** The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum.

**Section 3.10** (a) Each regular member is entitled to one vote. Associate or any other type of membership hereafter provided for are not entitled to vote on any matter. Voting at duly held meeting shall be by voice vote, except as otherwise expressly provided in these By-Laws. Election of Directors, however, shall be by ballot.

(b) Notwithstanding the provisions of paragraph (a) hereof, the election of Board of Directors may be by ballot or by proxy.

(c) No single vote shall be split into fractional votes.

(d) Cumulative voting for the election of Directors or otherwise shall not be authorized. The candidates receiving the highest of votes up to the number of Directors to be elected are elected.

(e) Members entitled to vote shall have the right to vote either in person or by a written proxy executed by such person or his duly authorized agent and filed with the Secretary of the corporation, except as otherwise expressly provided in these By-Laws, provided however, that no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy.

**Section 3.11** (a) Meetings of members shall be presided over by the President of the corporation, or, in his absence, by the Vice President, or, in the absence of both, by a chairman chosen by a majority of the voting members present in person or by proxy. The Secretary of the corporation shall act as Secretary of all meetings of members, provided that in his absence the presiding officer shall appoint another person to act as Secretary of the meeting.

(b) Meetings shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these By-Laws, with the Articles of Incorporation of this corporation, or with law.

**Section 3.12** Whenever the law, the Articles of Incorporation of this corporation, or these By-Laws authorize members to give their written assent or consent to action of the corporation in lieu of attending and voting at duly held meetings, such written consents may be given by, and shall be accepted from, the persons who are voting members, as shown by the books of the corporation, at the time their consents are given. Any member giving a written consent, or his proxy, may revoke the consent or proxy prior to the time that written consents of the number required to authorize the proposed action have been filed with the Secretary of the corporation, but may not do so thereafter.

**Section 3.13** Any action which may be taken at a meeting of members may be taken without a meeting if authorized by a writing signed by all the members who would be entitled to vote on such action at a meeting and filed with the Secretary of the corporation except as otherwise provided in the By-Laws.

**Section 3.14** (a) In advance of any meeting of members, the Board of Directors may appoint any persons, other than nominees for office, as inspectors of election to act at such meeting or

any adjournment thereof. If inspectors of election are not so appointed, the presiding officer of any such meeting may, and on the request of any voting member or proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one or three. If appointed at a meeting on the request of one or more voting members or proxies, the majority of the voting members present shall, by voice vote, determine whether one or three inspectors are to be appointed. In case of any person appointed as inspector fails to appear or fails or refuses to act, the vacancy may be filled by appointment by the Board of Directors in advance of the meeting, or at the meeting by the presiding officer.

(b) The inspectors of election shall determine the number of voting members present, the existence of a quorum, the authenticity, validity, and effect of proxies, receive votes, ballots, or consents, hear and determine all challenges and questions in any way arising in connection with the right to vote, count and tabulate all votes or consents, determine the result, and do such acts as may be proper to conduct their election or vote with fairness to all members. The inspectors shall perform their duties impartially, in good faith, to the best of their ability, and as expeditiously as is practical.

(c) There are three inspectors of election, the division, act, or certificate of a majority is effective in all respects as the decision, act, or certificate of all.

(d) On request of the presiding officer or of any voting member or his proxy, the inspectors shall make a report in writing of any challenge or question or matter determined by them and execute a certificate of any fact found by them. Any report or certificate made by them is prima facie evidence of the facts stated therein.

#### **ARTICLE 4 DIRECTORS**

**Section 4.01** The Corporation shall have fifteen (15) Directors and collectively they shall be known as the Board of Directors. The number may be changed only by amendment of this By-Law or by repeal of this By-Law and adoption of a new By-Law as provided in Section 10.02 of these By-Laws.

**Section 4.02** The words "Director" and "Board", as used in the Articles of Incorporation of this corporation or in these By-Laws in relation to any power or duty requiring collective action, mean "Board of Directors".

**Section 4.03** The Directors shall exercise the powers of the corporation, control its property, and conducts its affairs, except as otherwise provided by law. The Board of Directors has the right to sell the building with the approval of two-thirds of the membership (Amended on February 11, 1997).

**Section 4.04** It shall be the duty of the Directors to

(a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these By-Laws.



(b) Appoint and remove, employ and discharge, and, except as otherwise provided in these By-Laws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation.

(c) Supervise all officers, agents, and employees of the corporation to assure that their duties are properly performed.

(d) Meet at such times and places as required by these By-Laws.

(e) Require that special meetings of members be called whenever and as often as they deem necessary and whenever demanded by the required number of members as in these By-Laws provided.

(f) Register their addresses with the Secretary of the corporation, and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

**Section 4.05** Any regular member of the corporation who has paid his current dues is qualified to be elected a Director as provided in these By-Laws.

**Section 4.06** Each Director shall hold office for three years and until his successor is elected and qualifies. Except that in the case of the original Directors five shall be chosen to serve for a period of one year and five shall be chosen to serve for a period of two years and five shall serve for three years. Selection of the term shall be by lot drawn by the Directors themselves.

**Section 4.07** Directors shall be elected at the annual meeting as defined in Section 3.02 hereof and the candidates receiving the highest number of votes up to the number of Directors to be elected are, as provided in Section 3.12 of these By-Laws, elected. Directors shall be eligible for re-election without limitation on the number of terms they may serve, provided they continue to meet the qualifications required by Section 4.05.

**Section 4.08** Directors shall serve without compensation except that they shall be allowed to pay their actual necessary expenses incurred in attending Directors' meeting or other meetings as directed by the Directors.

**Section 4.09** (a) Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board of Directors or such other place which has been designated from time to time by resolution of the Board of Directors. The absence of such designation, meetings shall be held at the principal office of the corporation, provided that any such meeting held elsewhere shall be valid if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the corporation.

(b) Regular meetings of the corporation shall be held on the second Monday of each month (amended May 12, 1997) unless such day falls on a legal holiday, in which event the regular meeting for that month shall be held at the same hour and place on the next succeeding day or at such time and place as may be designated by resolution of the Board of Directors.

(c) Special meetings of the Board of Directors may be called by the President, or, if he is absent or is unable or refuses to act, by the Vice President or by any two Directors, and such meetings shall be held at the place, within or without the State of California, designated by the person or persons calling the meeting, and in the absence of such designation at the principal office of the corporation.

(d) The Secretary of the corporation, or any person designated by the President, shall deliver written or printed notice of the time and place of meetings of the Board to each Director personally or by United States mail or telegram at least seven (7) days prior to the date of the meeting, except that notice of all regular meetings of Directors is hereby dispensed with. If sent by mail or telegram, the notice shall be deemed to be delivered on its deposit in the United States mail or on its delivery to the telegraph company. Such notice shall be addressed to each Director at his address as shown on the books of the corporation. If the address of a Director is not shown and is readily ascertainable, the notice shall be addressed to him at the city or place in which the meetings of Directors are regularly held. Notice of the time and place of holding an adjourned meeting of a meeting need not be given to absent Directors if the time and place are fixed at the meeting adjourned.

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

(f) Except as otherwise expressly provided in these By-Laws, or by law, no business shall be considered by the Board at any meeting at which a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to until the time fixed for the next regular meeting of the Board.

(g) All meetings of the Directors shall be governed by Robert's Rules of Order, as such rules may be revised from time to time, insofar as such rules are not consistent or in conflict with these By-Laws, with the Articles of Incorporation of this corporation, or with law.

(h) Meetings of Directors shall be presided over by the President of the corporation, or in his absence by the Vice President, or in the absence of both, by a chairman chosen by a majority of the Directors present. The Secretary of the corporation shall act as Secretary of the Board of Directors. In the case the Secretary is absent from any meeting of the Directors, the presiding officer may appoint any person to act as Secretary for the meeting.

(i) A quorum shall consist of eight (8) Directors.

**Section 4.10** Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the law, the Articles of Incorporation, or these By-Laws require a greater number.

**Section 4.11** Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of such Directors. Any certificate or other document filed under any provision of the law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the By-Laws of this corporation authorize the Directors to so act, and such statement shall be prima facie evidence of such authority.

**Section 4.12** The entire Board of Directors, or any individual Director, may be removed from office at any time by the vote of the holders of a majority of the voting power of the corporation. If any or all Directors are so removed, new Directors may be elected at the same meeting and they shall remain in for the remainder of the terms of the removed Directors. If new directors are not elected at such meeting, the vacancy or vacancies created by the removal shall be filled as provided in Section 4.13 hereof.

**Section 4.13** (a) Vacancies in the Board of Directors shall exist (1) on the death, resignation, or removal of any Director; (2) Whenever the number of Directors authorized is increased, and (3) on the failure of the members in any election to elect the full number of Directors authorized.

(b) The Board of Directors may declare vacant the office of a Director (1) if he is declared of unsound mind by an order of court, or finally convicted of a felony; or (2) if within sixty (60) days after notice of his election he does not accept the office either in writing or by attending a meeting of the Board of Directors.

(c) Vacancies caused by the death, resignation, or disability of a Director or Directors, or by his or their removal as provided in these By-Laws, or by an amendment of the Articles of Incorporation of these By-Laws, increasing the number of Directors authorized shall be filled by a majority of the remaining Directors, though less than quorum, or by a sole remaining Director.

(d) If the Board of Directors accepts the resignation of a Director tendered to take effect at a future time, either the Board of the voting members may elect a successor to take office when the resignation becomes effective.

(e) A majority of the voting members of the corporation may elect a Director at any time to fill any vacancy not filled by the Directors as provided in Paragraphs (c) and (d) of this section. Should the offices of all Directors become vacant and there is consequently no Director left to fill the vacancies, The vacancies, shall be filled by a majority of the voting members of the corporation at a regular or special meeting called for that purpose at which a quorum is present.

(f) A person elected Director to fill a vacancy as in this section provided shall hold office for the unexpired term of his predecessor, or until his removal or resignation as this By-Laws provided.

(g) A reduction of the authorized number of Directors does not remove any Directors prior to the expiration of his term of office.

**Section 4.14** The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

**Section 4.15** Should any person be sued, either alone or with others, because he is or was a Director, officer, or employee of the corporation, in any proceeding arising out of his alleged misfeasance or non feasant in the performance of his duties or out of any alleged wrongful act against the corporation or by the corporation, indemnity for his reasonable expenses, including attorney's fees incurred in the defense of the proceeding may be assessed against the corporation, its receiver, or its trustee, by the court in the same or separate proceeding if (1) the person sued is successful in whole or in part, or the proceeding against him is settled with the approval and equitably merits such indemnity. The amount of such indemnity shall be so much of the expenses, including attorney's fees, incurred in the defense of the proceeding as the court determines and finds to be reasonable.

**Section 4.16** Employees of the corporation, and salaried employees of 599 Railroad Catering, Inc., are not allowed to hold a position on the Board of Directors (amended on June 8, 1982, and on July 14<sup>th</sup>, 2008).

## ARTICLE 5 OFFICERS

**Section 5.01** The officers of the corporation shall be a President, a Vice President, a Secretary, and a Treasurer. The corporation may also have, at the discretion of the Board of Directors, one or more additional Vice Presidents, one or more assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 5.03 of this article. One person may hold two or more offices except those of President and Secretary.

**Section 5.02** Any regular member of the corporation who holds the office of a Director is qualified to be an officer of the corporation. Officers, other than those appointed pursuant to Section 5.03 or Section 5.05 of this article shall be elected annually by the Board of Directors, and each officer shall office until he resigns or is removed or is otherwise disqualified to serve, or until his successor shall be elected and qualified, whichever occurs first.

**Section 5.03** The Board of Directors may appoint such other officers or agents as it may deem desirable and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

**Section 5.04** Any officer may be removed, either with or without cause, by a majority of the Directors at the time in office, at any regular or special meeting of the Board, and such officer

shall be removed should he cease to be qualified for the office as herein required. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 5.05** Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors for the unexpired portion of the term. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

**Section 5.06** The President shall be the chief executive officer of the corporation and shall in general, subject to the control of the Board of Directors, supervise and control the affairs of the corporation. He shall perform all duties incident to his office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these By-Laws, or which may be prescribed from time to time by the Board of Directors. He shall preside at all meetings of the members and of the Board of Directors. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these By-Laws, he shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors. He shall also, ex officio, be a member of all standing committees of the corporation.

**Section 5.07** In the absence of the President, or in the event of his inability or refusal to act, the Vice Presidents, in order of their rank as fixed by the Board of Directors or, if not ranked, the Vice President designated by the Board of Directors shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President. The Vice Presidents shall have such other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these By-Laws, or as may be prescribed by the Board of Directors.

**Section 5.08** The Secretary shall:

(a) Certify and keep at the principal office of the corporation the original or copy of these By-Laws as amended or otherwise altered to date.

(b) Keep at the principal office of the corporation or at such other place the Board of Directors may order, a book of minutes of all meetings of the Directors and members, recording therein the time and place of holding, whether regular or special, and, if special, how authorized, notice thereof given, the names of those present at the meetings of Directors, the number of members present or if proxy voting is authorized, or represented, at such meetings of members, and the proceedings thereof.

(c) See that all notices are duly given in accordance with the provisions of these By-Laws or as required by law.

(d) Be custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law or by these By-Laws.

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

(f) Exhibit at all reasonable times to any Director of the corporation, or to his agent or attorney, on request thereof, the By-Laws and the minutes of meetings of the Directors and of the members of the corporation.

(g) Exhibit at all reasonable times to any voting member, or to his agent or attorney, on written demand thereof for a purpose reasonably related to the interests of such member, the By-Laws and the minutes of meetings of the Directors or of the members, and shall exhibit said records at any time when required by the demand of ten (10) percent or more of the members holding the voting power of the corporation.

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

**Section 5.09** The Assistant Secretary, if any there shall be, shall, in the absence of the Secretary or in the event of his inability or refusal to act, perform all the duties of the Secretary and, when so acting, shall have all the powers of, and be subject to all the restrictions on, the Secretary. The Assistant Secretary shall perform such other duties as from time to time may be assigned to him by the Board of Directors or by the Secretary.

**Section 5.10** Subject to the provisions of Article 7 of these By-Laws, The Treasurer shall:

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

(b) Receive, and give receipts for, moneys due and payable to the corporation from any source whatsoever.

(c) Disburse or cause to be disbursed the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.

(d) Keep and maintain adequate and correct amounts of the corporation's properties and business transactions, including amounts of its assets, liabilities, receipts, disbursements, gains, and losses.

(e) Exhibit at all reasonable times the books of account and financial records to any Director of the corporation, or to his agent or attorney on request therefor.

(f) Exhibit at all reasonable times to any voting member, his agent, or attorney, on written demand therefor for purpose reasonably related to the interests of such member, the books of account and financial records of the corporation, and shall exhibit said records at any time when required by the demand of ten (10) percent or more of the voting members of the corporation.

(g) Render to the President and Directors, whenever he or they request it an account of any or all of his transactions as Treasurer and of the financial condition of the corporation.

(h) Prepare, or cause to be prepared, and certify the financial statements to be included in the annual report to the members.

(i) If required by the Board of Directors, give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

(j) In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these By-Laws, or which may be assigned to him from time to time by the Board of Directors.

**Section 5.11** If required by the Board of Directors, the Assistant Treasurer, if any there be, shall give a bond for the faithful discharge of his duties in such and with such surety or sureties as the Board of Directors shall determine. He shall, in general, perform such duties as shall be assigned to him, from time to time, by the Treasurer or by the Board of Directors.

**Section 5.12** Officers of the corporation shall serve without compensation except that they shall be paid their actual and necessary expenses incurred in attending meetings of the Board of Directors or of the members or other provision allowing partial compensation.

## ARTICLE 6 COMMITTEES

**Section 6.01** The Board of Directors, by a majority vote of its members, may designate two (2) or more of its members to constitute an Executive Committee and delegate to such Committee any of the powers and authority of the Board in the management of the business affairs of the corporation, except the power to adopt, amend, or repeal the by-laws, and provided that the designation of such Committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director, of any responsibility imposed on it or him by law, by the Articles of Incorporation of the corporation, or by these By-Laws. By a majority vote of its members, the Board may at any time modify or revoke any or all of the authority so delegated, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the Board. The Committee shall establish rules and regulations for its meetings and meet at such times as it deems necessary, provided that a reasonable notice of all meetings of the Committee shall be valid unless approved by the vote or written consent of a majority of its members. The Committee shall keep regular minutes of its proceedings and report the same to the Board from time to time as the Board may require.

**Section 6.02** The Corporation shall have such other Committees as may be designated by the majority vote of the Board of Directors.

**Section 6.03** The Chairman and each member of the Executive Committee and each Chairman of any other Committee shall serve until the next annual election of Directors and until his successor is appointed, or until such Committee is sooner terminated, or until he is removed as a Director or officer of the corporation, or until his membership in the corporation terminates, or until he shall otherwise cease to qualify as a Chairman or member, as the case may be, of the Committee, whichever occurs first.

**Section 6.04** Vacancies on any Committee may be filled for the unexpired portion of the term in the same manner as provided in the case of original appointments.

**Section 6.05** A majority of the whole Executive Committee or of a whole of any other Committee shall constitute a quorum of such Committee and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the Committee. Unless otherwise provided in the resolution of the Board of Directors designating the Committee, Ad Hoc Committees shall act under the direction of their respective Chairmen without any requirement as to a quorum.

**Section 6.06** Each Committee may adopt rules for its own government and procedure not inconsistent with law, with these By-Laws, or with the rules and regulations adopted by the Board of Directors.

## **ARTICLE 7 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

**Section 7.01** The Board of Directors, except as otherwise provided in these By-Laws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable pecuniary for any purpose or in any amount.

**Section 7.02** Except as otherwise specifically determined by resolution of the Board of Directors, as provided in Section 7.01, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidences of indebtedness of the corporation shall be signed by the Treasurer or the Assistant Treasurer and countersigned by the President or the Vice President of the corporation.

**Section 7.03** All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

**Section 7.04** The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.



## ARTICLE 8 CORPORATE RECORDS, REPORTS AND SEAL

**Section 8.01** The corporation shall keep at its principal office, or at such other place as the Board of Directors may order, a book of minutes of all meetings of Directors and of all meetings of members, with the time and place of holding, whether regular or special and, if special, how authorized, the notice given, the names of those present, or if any proxy voting is authorized the members represented at members meetings, and the proceedings thereof.

**Section 8.02** The Corporation shall keep and maintain adequate and correct accounts of its properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

**Section 8.03** On request of an assessor, the corporation shall make available at its principal office in California or at a place mutually acceptable to the assessor and to the corporation a true copy of business records relevant to the amount, cost, and value of property, subject to local assessment, which it owns, claims, possesses, or controls within the county.

**Section 8.04** The books of account shall at all reasonable time to be open to inspection by any Director. Every Director shall have the absolute right at any reasonable time to inspect all books, records, documents of every kind, and the physical properties of the corporation. Such inspection may be made in person or by agent or attorney, and the right to inspection included the right to make extracts.

**Section 8.05** The books of account, and the minutes of meetings of the Directors, members, and Executive and other Committees shall be open to inspection on the written demand of any voting member at any reasonable time, for a purpose reasonably related to the interests of the member, and shall be exhibited at any time when required by the demand, in writing or made orally at a meeting, when required by the demand, in writing or made orally at a meeting, or of the (10) percent or more of the voting members of the corporation. Such inspection may be made in person or by agent or attorney, and the right of inspection includes the right to make extracts. Demand of inspection other than at a members' meeting shall be made in writing on the President, Secretary, or Assistant Secretary of the corporation.

**Section 8.06** The Board of Directors may provide for the preparation and submission to the members of a written annual report including a financial statement. Such report shall summarize the corporation's activities for the preceding year and activities projected for the forthcoming year; the financial statement shall consist of a balance sheet as of the close of business of the corporation's fiscal year, contain a summary of receipts and disbursements, be prepared in such manner and form as is sanctioned by sound accounting practices, and be certified by the President, Secretary, Treasurer or a public accountant.

**Section 8.07** The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be affixed to all corporate instruments, but failure to fix it shall not affect the validity of any such instrument.

## ARTICLE 9 FISCAL YEAR

**Section 9.01** The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

## ARTICLE 10 BY-LAWS

**Section 10.01** These By-Laws shall become effective immediately on their adoption. Amendments to these By-Laws shall become effective immediately on their adoption unless the Board of Directors or members, in adopting them as hereinafter provided, provide that they are to become effective at a later date.

**Section 10.02** Subject to any provisions of law applicable to the amendment of By-Laws of nonprofit corporations, these By-Laws, or any of them, may be altered, amended, or repealed and new By-Laws adopted as follows:

(a) Subject to the power of the members to change or repeal them, by the vote of a majority of Directors present at any special or regular meeting of Directors at which a quorum is present, provided that written notice of such meeting and of the intention to change the By-Laws thereat is delivered to each Director at least seven (7) days prior to the date of such meeting, as provided in Section 4.09(d) if these By-Laws or by the written consent of all Directors without a meeting as provided in Section 4.11 hereof, provided that a By-Law fixing or changing the number of Directors may not be adopted, amended, or repealed except as provided in Paragraph (b) hereof.

(b) By the vote or written assent of a majority of the members entitled to vote, or the vote of a majority of a quorum at a meeting duly called and noticed for the purpose in accordance with Section 3.04 hereof.

**Section 10.03** The original, or a copy, of the By-Laws as amended or otherwise altered to date, certified by the Secretary of the corporation, shall be recorded and kept in a book which shall be kept in the principal office of the corporation, and such book shall be open to inspection by the members at all reasonable times during office hours.

## ARTICLE 11 VOTING SHARES HELD BY CORPORATION

**Section 11.01** The President of this corporation, or in his absence or on his refusal or inability to act, such other officer as may be designated by resolution of the Board of Directors, shall have full power and authority on behalf of this corporation to vote in person or by proxy all shares of any corporation standing in the name of this corporation and shall, on behalf of the corporation at any shareholders' meeting, exercise all rights incident to the ownership of such shares.

## ARTICLE 12 INVESTMENTS

**Section 12.01** The corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest funds held by it, according

to the judgment of the Board of Directors, without being restricted to the class of investments which a trustee is or may hereafter be permitted by law to make or any similar restriction provided, however, that no action shall be taken by or on behalf of the corporation if such action is a prohibited transaction under Sections 4945 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

### **ARTICLE 13 PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS**

**Section 13.01** No member, Director, officer, employee, or other person connected with this corporation, or any other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided that this provision shall not prevent payment to any such person of reasonable compensation for services rendered to or for the corporation in effecting any of its purposes as shall be fixed by resolutions of the Board of Directors.

### **ARTICLE 14 DISTRIBUTION OF INCOME AND PROHIBITED TRANSACTIONS**

**Section 14.01** Notwithstanding any other provision in these By-Laws, the corporation shall be subject to the following limitations and restrictions:

(a) The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954.

(b) The corporation shall not engage in any act of self dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954.

(c) The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1954.

(d) The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954.

(e) The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954.

### **ARTICLE 15 CONSTRUCTION**

**Section 15.01** As used in these By-Laws:

(a) The present tense included the past and the future tenses, and the future tense includes the present.

(b) The masculine gender included the feminine and neuter.

(c) The singular number includes the plural, and the plural number includes the singular.

(d) The word "shall" is mandatory and the word "may" is permissive.

(e) The words "Directors" and "Board" have the meaning stated in Section 4.02 of these By-Laws.

We, the undersigned, are all of the persons named as the first Directors in the Articles of Incorporation of San Francisco Basque Cultural Center, Inc., a California corporation, and, pursuant to the authority granted to the Directors in Article 4.11. of said Articles, to take action by unanimous written consent without a meeting, we consent, and hereby do, adopt the foregoing By-Laws, consisting of 23 pages as the By-Laws of said corporation.

Dated: June 21, 1979

Amended on: June 1, 1997 (Consists of 20 pages)

Amended on: January 14<sup>th</sup>, 2008 (Consists of 20 pages)

Amended on: July 14<sup>th</sup>, 2008 (Consists of 20 pages)

Amended on: May 11<sup>th</sup>, 2009 (Consists of 20 pages)

Amended on: January 2<sup>nd</sup>, 2013 (Consists of 20 pages)