

**AMENDED AND RESTATED
BYLAWS
OF
VENTURA EMPLOYEES ASSOCIATION
A CALIFORNIA NONPROFIT MUTUAL BENEFIT CORPORATION**

**Article I
Name**

The name of this corporation is Ventura Employees Association, hereinafter referred to as the “Association.”

**Article II
Offices**

2.01. Principal Office. The principal office of the Association for its transaction of business is located in the County of Ventura, California.

2.02. Change of Address. The Board of Directors is granted full power and authority to change the principal office of the Association from one location to another in Ventura County, California. Any change of address will be noted by the Secretary in these Bylaws, but will not be considered an amendment of these Bylaws.

**Article III
Objectives**

The objectives of the Association are to represent certain public agency¹ employees as the majority representative in the employment relations with public agency employers within the County of Ventura (the “Public Agencies”); and to provide a voice in determining terms and conditions of employment through collective bargaining.

**Article IV
Affiliation**

The Association may, by majority vote of its membership, affiliate with or hire any recognized union or employee relations company.

**Article V
Membership**

5.01. Eligibility. Any individual employed by a Public Agency in any classification specifically set forth in the then-current Agreement between that Public Agency and the Association, which is referred to in Government Code sections 3050.1 *et seq.* as a Memorandum of Understanding (an “MOU”), shall be eligible for membership.

¹ Consistent with Government Code section 1150, the term “public agency” includes counties, cities, municipal corporations, political subdivisions, public districts, and other public agencies of the state.

5.02. Application. Application for membership shall be made on a standard Association application form. Such form shall include an authorization for payroll deduction of dues.

5.03. Rights and Privileges. Each Member shall have the right to vote for the election of Directors, on a disposition of all or substantially all of the assets of the Association, on a merger, and on a dissolution. Members shall also have all rights afforded members under the California Nonprofit Mutual Benefit Corporation Law.

The Association may confer by amendment of its Articles of Incorporation or of these Bylaws some or all of the rights of a Member, as set forth in this Article, upon any person who does not have the right to vote on any of the matters set forth in these Bylaws, or for the selection of delegates who possess any such voting rights, but no such person shall be a Member within the meaning of this Article, the Articles of Incorporation, or Section 5056 of the California Corporations Code.

5.04. Rights of Inspection. Subject to the Association's right to set aside a demand for inspection pursuant to Corporations Code Section 8331 and the authority of the court to limit inspection rights pursuant to Corporations Code Section 8332, and unless the Association provides a reasonable alternative as permitted by Section 5.04(c) below, a Member may do either or both of the following:

- (a) Inspect and copy the record of all the Members' names, addresses, and voting rights, at reasonable times, on five business days' prior written demand on the Association, which must state the purpose for which the inspection rights are requested; or
- (b) Obtain from the Secretary of the Association, on written demand and tender of a reasonable charge, a list of the names, addresses, and voting rights of those Members entitled to vote for the election of Directors, as of the most recent record date for which it has been compiled or as of the date of demand. The demand must state the purpose for which the list is requested. The membership list will be available on or before the later of 10 business days after the demand is received, or after the date specified in the demand as the date as of which the list is to be compiled.
- (c) The Association, within 10 business days after receiving a demand pursuant to Section 5.04(a), may deliver to the person or persons making the demand a written offer of an alternative method of achieving the purpose identified in the demand without providing access to or a copy of the membership list. An alternative method that reasonably and in a timely manner accomplishes the proper purpose set forth in a demand made pursuant to Section 5.04(a) will be deemed reasonable, unless within a reasonable time after acceptance of the offer, the Association fails to effect the alternative method. Any rejection of the offer must be in writing and indicate the reasons the alternative proposed by the Association does not meet the proper purpose of the demand made pursuant to Section 5.04(a).

5.05. Voting Rights. Each Member is entitled to one vote on each matter submitted to a vote of the Members.

5.06. Dues and Assessments.

- (a) The monthly dues of Members shall be determined from time to time by a majority vote of the Members, or by the Board, but any such determination by the Board must be ratified by a majority vote of the Members in order to be binding on the Members.
- (b) Members shall pay Association dues by payroll deduction commencing with the first pay period applicable following the new Member's enrollment.

5.07. Limit on Number of Members. There is no limit on the number of Members that the Association may admit.

5.08. Transferability of Membership. Neither membership in the Association nor any rights in the membership may be transferred or assigned for value or otherwise.

5.09. Termination of Membership. A membership and all rights of that membership automatically terminate on the occurrence of any of the following causes: (a) the voluntary resignation of the Member; (b) the death of the Member; and (c) The nonpayment of dues or assessments, subject to the limitations set forth in 5.09(b) below.

- (a) **Resignation.** The membership of any Member of the Association shall automatically terminate on such Member's written request for such termination delivered to the President or Secretary of the Association personally or deposited in United States first-class mail, postage prepaid if such resignation is allowed by law.
- (b) **Nonpayment of Dues.** The membership of any Member who fails to pay his or her dues or assessments within 30 days of the due date automatically terminates at the end of that 30-day period, provided that the Member was given: (1) 15 days' prior written notice of the termination stating the reasons for termination; and (2) a timely opportunity to be heard on the matter of the termination. The notice will be given personally to the Member or sent by first-class mail to the last address of the Member as shown on the records of the Association. The opportunity to be heard, at the election of the Member, may be oral or in writing, and must occur not less than 5 days before the effective date of the termination. The hearing shall be conducted at the offices of the Association by a Committee appointed by the Board, with a minimum of three members, one of which shall be the President. The hearing will be presided over by the President unless the Board appoints a different person for this purpose.
- (c) **Effect of Termination.** Any and all rights of a Member in the Association and in its property cease on the termination of membership. However, termination does not relieve the Member from any obligation for charges incurred, services or benefits actually rendered, dues, assessments, or

fees, or arising from contract or otherwise. The Association retains the right to enforce any obligation or obtain damages for its breach.

5.10. Meetings of the Members.

- (a) Regular Meetings. Regular Meetings of the Members shall be held at least once each year, at a time and place to be fixed by the Board.
- (b) Special Meetings. Special Meetings of the Members may be called by the President, the Board, or upon the written request of ten Members.
- (c) Notice.
 - (i) Manner of Giving Notice. Written notice of every Meeting of Members must be either personally delivered, mailed by first-class United States mail, postage prepaid, or delivered via email not less than 20 nor more than 90 days before the date of the meeting, to each Member who is entitled to vote at the meeting. In addition, notice shall be posted at various designated locations within the Members' workplaces at least 15 days before the date of the meeting. The Secretary of the Association, or any agent specially designated by the Secretary for this purpose, will execute an affidavit of the giving of the notice of the Meeting of Members.
 - (ii) Content of Notices. The notice will state the place, date, and time of the meeting. In addition, the notice will state those matters that the Board intends to present for action by the Members. The notice of any meeting at which Directors are to be elected must include the names of all those who are nominees at the time the notice is given to the Members.
- (d) Quorum. A quorum at any Meeting of Members consists of ten Members entitled to vote, represented in person or by proxy, provided that the only matters that may be voted upon at any Meeting of Members actually attended by less than one-third of the voting power are matters of which due notice was given, as required by Corporations Code section 7215(b).
 - (i) Loss of Quorum. The Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken, other than adjournment, is approved by at least a majority of Members required to constitute a quorum.
 - (ii) Adjournment for Lack of Quorum. In the absence of a quorum, any Meeting of Members may be adjourned from time to time by the vote of a majority of the votes represented either in person or by proxy. However, no other business may be transacted except as provided in Section 5.10(d)(i) above.

- (e) Action without Meeting by Written Ballot. Any action that may be taken at any Meeting of Members, including election of Directors, may be taken without a meeting, provided that the following ballot requirements are satisfied:
- (i) The Association distributes a written ballot to every Member entitled to vote on the matter;
 - (ii) The ballot states the proposed action, provides an opportunity to specify approval or disapproval of any proposal, and provides a reasonable time within which to return the ballot to the Association;
 - (iii) The number of votes cast by ballot with the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action; and
 - (iv) The number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.
 - (v) Ballots will be solicited in a manner consistent with the requirements of giving notice of a Meeting of Members set forth in Section 5.10(c) above. All solicitations must indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of Directors, state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.
 - (vi) The form of written ballots must afford an opportunity on the form of written ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot is distributed, to be acted on by that written ballot. The form must also provide, subject to reasonable specified conditions, that if the person solicited specifies a choice with respect to any matter the vote must be cast in accordance with that choice. In any election of Directors, any form of written ballot in which the Directors to be voted on are named as candidates and that is marked by a Member “withhold” or otherwise marked in a manner indicating that the authority to vote for the election of Directors is withheld may not be voted either for or against the election of a Director.
 - (vii) A written ballot may not be revoked.

Article VI Associated Persons

Consistent with Section 7333 of the California Corporations Code, the Association shall also refer to the following certain persons associated with it as “members,” even though those persons not Members as defined in Article V above, and no such reference shall constitute anyone a member within the meaning of Section 5056 of the California Corporations Code, the Articles of Incorporation, or these Bylaws.

(a) Associate Members

All persons (as defined in Corporations Code section 5065) who are not eligible for regular Membership as defined in Article V above are eligible for Associate Membership. Associate Members shall have only those rights and privileges specifically established by the Board from time to time. Associate Members shall pay the dues, if any, as established by the Board from time to time for Associate Membership.

(b) Honorary Members

The Board may confer on any person (as defined in Corporations Code section 5065) the status of Honorary Member. Honorary Members shall have only those rights and privileges established by the Board from time to time for Honorary Members. Honorary Members shall pay the dues, if any, established by the Board for Honorary Membership.

(c) Life Members

The Board may confer on any person (as defined in Corporations Code section 5065), by two-thirds vote, the status of Life Member, in recognition of long or devoted service to the Association. Life Members shall have only those rights and privileges established by the Board from time to time for Life Members. Life Members shall not pay dues.

Article VII Fee Payers

7.01. In General. Every MOU shall provide that every individual eligible for Membership, as a condition of employment with the Public Agency, must either become a Member or pay the Association a service fee in order to finance union expenditures for the purposes of collective bargaining, contract administration, and grievance adjustment (“Chargeable Activities”). Those eligible individuals not electing to become Members are referred to as “Fee Payers.”

7.02. Determination of Fee Amount. The monthly fees of Fee Payers shall be determined from time to time by the Board, but any such determination by the Board must be ratified by a majority vote of the Members.

7.03. Fee Payers’ Right to Object to Fee Amount. The Board shall establish procedures for Fee Payers to object to the amount of the fees and to obtain a rebate of any portion of fees not supporting Chargeable Activities.

Article VIII

Board of Directors

The Board of Directors ("Board") shall be the governing body of the Association. All matters affecting policies, aims and means of accomplishing the purpose of the Association not specifically provided for in these Bylaws shall be decided by the Board.

8.01. Number. The initial number of Directors shall be fixed by the Incorporator. The authorized number of Directors shall be not less than three and not more than ten until changed by amendment of these Bylaws, with the exact number of Directors to be fixed, within the foregoing range, by approval of the Board.

8.02. Selection and Term of Office. Directors shall be Members elected by the Members. Each Director shall serve a term of two years. The Board shall adopt reasonable nomination and election procedures given the nature, size, and operations of the Association at the time of the election. Notwithstanding the foregoing, until at least one MOU is in place, any Public Agency employee intending to become a Member may serve as a Director.

8.03. Vacancies. Any Director may resign effective upon giving written notice to the President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of the resignation; provided that no Director may resign if the Association would then be left without a duly elected Director or Directors in charge of its affairs. If the resignation is effective at a future time, a successor may be selected before that time, to take office when the resignation becomes effective.

Vacancies on the Board shall be filled by the remaining Directors, even if the number of remaining Directors constitutes less than a quorum. Alternately, the Board may call for a special election whereby the Members elect the new Director in the same manner as the Director(s) whose office is vacant was selected. Each Director so selected or elected shall hold office until the expiration of the term of the replaced Director and until a successor has been selected and qualified.

A vacancy or vacancies on the Board shall be deemed to exist in case of the death, resignation, or removal of any Director, or if the authorized number of Directors is increased.

The Board may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or who has failed to attend three consecutive meetings of the Board.

No reduction of the authorized number of Directors shall have the effect of removing any Director before expiration of the Director's term of office.

8.04. Meetings of the Board of Directors

- (a) Place of Meeting. Meetings of the Board shall be held at any place within State of California that has been designated from time to time by the Board.
- (b) Annual Meetings. The Board shall hold an annual meeting for the purpose of organization, selection of Directors and Officers (as applicable), and the transaction of other business. The Board shall fix a date each year for the

annual meeting that is no more than 3 months after the close of its accounting period.

- (c) Regular Meetings. Regular meetings of the Board shall be held without call or notice on dates and at times fixed by the Board.
- (d) Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by the President, any Vice President, the Secretary, or any two Directors.
 - (i) Timing of Notice. Special meetings of the Board shall be held upon five days' notice by first-class mail or 48 hours' notice given personally or by telephone (including a voice messaging system or other system or technology designed to record and communicate messages), telegraph, facsimile, electronic mail, or other electronic means. Any such notice shall be addressed or delivered to each Director at the Director's address as shown upon the records of the Association or as may have been given to the Association by the Director for purposes of notice or, if the address is not shown on the Association's records or is not readily ascertainable, at the place where the meetings of the Directors are regularly held.
 - (ii) Manner of Giving Notice. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone, to the recipient or to a person at the office of the recipient whom the person giving the notice has reason to believe will promptly communicate it to the receiver.
 - (iii) Waiver of Notice. Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of its minutes, whether before or after the meeting, or who attends the meeting without protesting, before or at its commencement, the lack of notice to that director. All waivers, consents, and approvals as to a Board meeting shall be filed with the corporate records or made a part of the minutes of the meeting.
- (e) Quorum. A majority of the authorized number of Directors constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in paragraph 8.04(g) below. 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, unless a greater number is required by law or by the Articles. Notwithstanding the foregoing, a

meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

- (f) Participation in Meetings by Telephone and Electronic Transmission. Members of the Board may participate in a Directors' meeting through use of conference telephone, electronic video screen communication or electronic transmission by and to the Association. Participation in a Directors' meeting through use of conference telephone or electronic video screen communication constitutes presence in person at that meeting as long as all persons participating in the meeting are able to hear one another.
- (g) Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Board meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place is fixed at the meeting adjourned, provided that if the meeting is adjourned for more than 72 hours, notice of any adjournment to another time or place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.
- (h) Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all Directors individually or collectively consent in writing to the action. The consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

8.05. Committees. The Board may appoint one or more Committees, each consisting of two or more Directors, and delegate to those Committees any of the authority of the Board except authority:

- (i) to approve any action for which the California Nonprofit Mutual Benefit Corporation Law also requires approval of the Members or approval of a majority of all Members;
- (ii) to fill vacancies on the Board or on any Committee;
- (iii) to fix compensation of Directors for serving on the Board or on any Committee;
- (iv) to amend or repeal bylaws or adopt new Bylaws;
- (v) to amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (vi) to appoint other Committees of the Board or members of other Committees; and/or
- (vii) to approve any self-dealing transaction, as those transactions are defined in Section 7233(a) of the California Nonprofit Mutual Benefit Corporation Law. (Corporations Code section 7233(a).)

Any Committee to which any authority of the Board is delegated may only be created, and its members appointed, by resolution adopted by a majority of the authorized number of Directors then in office, provided a quorum is present. The Board may appoint, in the same manner, alternate members of any Committee who may replace any absent member at any meeting of the Committee. The Board shall have the power to prescribe the manner in which proceedings of any of these Committees shall be conducted. In the absence of prescription by the Board, a Committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or a Committee shall otherwise provide, the regular and special meetings and other actions of any such Committee shall be governed by the provisions of these Bylaws applicable to meetings and actions of the Board.

8.06. Fees and Compensation. Directors and members of Committees may receive such compensation for their services, and such reimbursement for expenses, as may be fixed or determined by the Board.

Article IX Officers

9.01. Required Officers. The Board shall appoint a President, a Vice President, a Secretary, and a Treasurer, to serve as Officers of the Association. The Board may also appoint, and may empower the President to appoint, such other Officers as the business of the Association may require. Each such Officer shall hold office for the period, have authority, and perform duties as provided in these Bylaws or as the Board may from time to time determine.

- (a) President. The President, who shall be the chief executive of the Association, shall:
 - (i) preside over and conduct the Meetings of Members and Meetings of the Board;
 - (ii) report periodically to the Members regarding the progress and status of items of interest to the Association; and
 - (iii) represent the Association in all employee benefit negotiations.
- (b) Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President. The Vice President so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have other powers and perform other duties prescribed by the Board.
- (c) Secretary. The Secretary shall keep adequate and correct records of account and written minutes of the proceedings of its Members, Board, and Committees of the Board. The Secretary shall also keep a record of its the Members of the Association, including their names and addresses. In addition, the Secretary shall perform the usual and customary duties of a corporate secretary.

- (d) Treasurer. The Treasurer shall perform the financial accounting of all Association monies and submit a written monthly financial statement to the Board. He shall receive, receipt, and deposit all monies.

9.02. Additional Officers. In addition to a President, Vice President, Secretary, and Treasurer, there may be such other Officers appointed by the Board with such titles, duties, and terms as determined by the Board.

9.03. Resignation. Any Officer may resign at any time by giving written notice to the Association addressed and sent to the Board, the President, or the Secretary, but without prejudice to the rights, if any, of the Association under any contract to which the Officer is a party. An Officer's resignation shall take effect at the date notice of resignation is received by the addressee or at any later time specified in the resignation and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective.

9.04. Attendance at Meetings. All Officers shall attend all Meetings of Members and Meetings of the Board. Any Officer absent for two consecutive or more than four meetings per calendar year may be notified of his/her absenteeism by the President and may respond in writing to his ability and/or desire to continue serving as an Officer. It is the Officer's responsibility to notify the President when he will be absent from a Meeting.

9.05. Payment of Dues. The Board may discharge any Officer who has become delinquent in his dues.

9.06. Termination of Employment with a Public Agency. Upon any Officer's termination of employment with a Public Agency, that person shall immediately cease to be an Officer of the Association.

Article X Accounting and Finance

10.01. Accounting Period. The accounting period of the Association shall be from January 1 through December 31.

10.02. Withdrawal of Funds. Every withdrawal of funds from any Association deposit account, including every check issued, shall require the approval and signatures of two authorized signers of the Association. Such authorized signers shall be identified in these Bylaws or designated by Board resolution.

10.03. Annual Report. The Board shall cause an annual report to be available to all Members not later than 120 days after the close of the Association's fiscal year, and shall, each year, notify each Member of the Member's right to receive the annual report. The report shall set forth all of the following in appropriate detail:

- (a) The assets and liabilities, including the trust funds, of the Association as of the end of the fiscal year for which the report is prepared;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year covered by the report;

- (c) The revenue or receipts of the Association, both unrestricted and restricted to particular purposes, for the fiscal year covered by the report;
- (d) The expenses or disbursements of the Association, for both general and restricted purposes, during the covered fiscal year; and
- (e) The information as to transactions with interested persons and indemnifications, pursuant to California Corporations Code section 8322.

10.04. Annual Notice to Fee Payers. As part of the year-end accounting procedures, the Board shall make available an annual notice to every Fee Payer, disclosing the amount of the fee to be collected to finance Chargeable Activities pursuant to Section 7.01 above, and identifying both the chargeable and nonchargeable expenditures for the year. The notice shall contain sufficient information to provide the Fee Payer an adequate explanation for the basis of the fee amount.

Article XI Indemnification

11.01. Definitions. The following definitions apply for the purposes of this Article XI:

- (a) “Agent” means any person who is or was a director, officer, employee, or other agent of the Association, or is or was serving at the request of the Association as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of the Association or of another enterprise at the request of that predecessor corporation;
- (b) “Proceeding” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative.
- (c) “Expenses” includes without limitation attorneys’ fees and any expenses of establishing a right to indemnification under this Article XI.

11.02. Indemnification in Actions by Third Parties. The Association shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Association to procure a judgment in its favor), by reason of the fact that that person is or was an agent of the Association, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with that proceeding if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of the Association and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination of any 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 the person reasonably believed to be in the best interests of the Association or that the person had reasonable cause to believe that the person’s conduct was unlawful.

11.03. Indemnification in Actions by or in the Right of the Association. The Association shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Association, to procure a judgment in its favor by reason of the fact that the person is or was an agent of the Association, against expenses actually and reasonably incurred by that person in connection with the defense or settlement of that action if the person acted in good faith, in a manner such person believed to be in the best interests of the Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Notwithstanding the preceding paragraph, no indemnification shall be made under this Section 11.03 in respect of any claim, issue, or matter as to which that person shall have been adjudged to be liable to the Association in the performance of that person's duty to the Association, unless and only to the extent that the court in which the proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for the expenses which the court shall determine.

11.04. Indemnification Against Expenses. To the extent that an agent of the Association has been successful on the merits in defense of any proceeding referred to in Section 11.03 above or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

11.05. Required Determinations. Except as provided in Section 11.04 above, any indemnification under this Article XI shall be made by the Association only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 11.02 or 11.03 above, by a majority vote of a quorum consisting of Directors who are not parties to the proceeding.

11.06. Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by the Association prior to the final disposition of the proceeding upon receipt of an undertaking by or on behalf of the agent to repay that amount unless the Board determines that the agent is entitled to be indemnified as authorized in this Article XI.

11.07. Other Indemnification. No provision made by the Association to indemnify its Directors or Officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of Members or Directors, an agreement, or otherwise, shall be valid unless consistent with this Article XI. Nothing contained in this Article XI shall affect any right to indemnification to which persons other than such Directors and Officers may be entitled by contract or otherwise.

11.08. Forms of Indemnification Not Permitted. No indemnification or advance shall be made under this Article XI, except as provided in Sections 11.04 or 11.05 above, in any circumstances in which it appears:

- (a) that it would be inconsistent with a provision of the Articles, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of

action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

- (b) that it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

11.09. Insurance. The Association shall have power to purchase and maintain insurance on behalf of any agent of the Association against any liability asserted against or incurred by the agent in that capacity or arising out of the agent's status as such whether or not the Association would have the power to indemnify the agent against liability under the provisions of this Article XI, however, that the Association shall have no power to purchase and maintain such insurance to indemnify any agent of the Association for a violation of Section 7233 of the California Nonprofit Mutual Benefit Corporation Law.

11.10. Nonapplicability to Fiduciaries of Employee Benefit Plans. This Article XI does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though that person may also be an agent of the Association as defined in paragraph 11.01(a) above. The Association shall have power to indemnify that trustee, investment manager, or other fiduciary to the extent permitted by Section 207(f) of the California Corporations Code.

Article XII

Obligations to Members With Respect to Grievances and Disciplinary Proceedings Pertaining to Employment

12.01. Grievances and Disciplinary Proceedings. Every MOU shall set forth a complaint and grievance system which provides for informal settlement of Member complaints with regard to Public Agency employment, a formal process for submitting a grievance to the appropriate Agency/Department Head, and a process for the decision of the Agency/Department Head to arbitration or other form of dispute resolution (the "Grievance Procedure"). Every MOU shall also set forth a disciplinary system (the "Disciplinary Procedure").

12.02. Grievance Officer. The Board shall appoint one Director as a Grievance Officer whose contact information shall be published to the membership. The responsibilities of the Grievance Officer shall be:

- (a) to serve as the liaison between the Board and any Member seeking advice or representation with respect to a grievance, potential grievance or disciplinary issue;
- (b) to keep written records of all contacts with Members regarding specific grievances or disciplinary action brought to the attention of the Association;
- (c) to monitor all open grievance and ensure that the Association adheres to the requirements set forth in these Bylaws;

- (d) to serve on the Grievance Committee (as defined in Section 12.03 below); and
- (e) to keep minutes or other records acceptable to the Board of all actions taken by the Grievance Committee, including all of the steps described in Section 12.04 below.

12.03. Grievance Committee. The Association shall have a Grievance Committee (at times referred to in this Article XII as the “Committee”), which shall consist of at least three Directors, one of which must be the Grievance Officer as defined in 12.02 above. In the event that the Board has not appointed a Grievance Committee, then the entire Board shall comprise the Grievance Committee.

12.04. Association Procedure. Any Member wishing for the Association to advise and/or represent him concerning a grievance, potential grievance or in a disciplinary action shall contact the Grievance Officer and explain the nature of the complaint or disciplinary action, including what steps, if any, the Member has taken in compliance with the Grievance Procedure. The Grievance Officer shall document the report in a manner acceptable to the Grievance Committee, and, within 48 hours of discussing the matter with the Member, forward a copy of this report to all members of the Grievance Committee. The Committee shall then take the applicable actions described below. Unless otherwise indicated, these actions may be taken without a meeting as long as they are approved in writing by a majority of Committee members. For the purpose of the preceding sentence, a Committee member’s approval of an action may be submitted by email to the Grievance Officer.

(a) GRIEVANCE PROCEDURE

The procedure below applies to all matters not involving employee (Member) discipline. If any of the procedures below conflict with the Grievance Procedure in the applicable MOU, the MOU shall control.

- (i) Verify that the Member’s complaint: (1) is a “grievance” as defined in the applicable Grievance Procedure; (2) does not fall within any of the exclusions set forth in the applicable Grievance Procedure; and (3) is being made timely as required by the applicable Grievance Procedure. If any of these are not satisfied, the Committee may elect to consult with legal counsel or simply advise the Member that the Association is unable to represent him in the grievance process with respect to the particular complaint since the complaint falls outside the Grievance Procedure as agreed upon by the Association and the Public Agency.
- (ii) Determine if the Member has initiated an informal complaint with the appropriate manager, pursuant to the applicable Grievance Procedure. If the Member has not done so, he should be advised to, unless there are extraordinary circumstances which make this inappropriate (e.g., if the manager is the target of the

complaint and the complaint is of such a nature that it would be inappropriate to initiate the grievance process with this person).

- (iii) If the complaint has not been resolved informally with the division head within the time period set forth in the applicable MOU, take one of the following steps:
 - 1) **If the Member is alleging any violation of any law (including regulations pertaining to employment),** contact legal counsel for advice on how to proceed.
 - 2) **If the Member is not alleging any violation of law,** consult legal counsel for advice on how to proceed if the Committee determines that the Member's complaint raises issues warranting legal consultation at this stage. Ensure that the basis for the Committee's decision in this regard is clearly documented.
- (iv) Unless otherwise advised by legal counsel, prepare a written grievance on behalf of the Member, in accordance with the applicable Grievance Procedure. Have the Member review the written grievance for accuracy and submit it to the Agency/Department Head. A member of the Grievance Committee should attend the review meeting with the Agency/Department Head. In the alternative, if the Committee determines that it would be in the best interests of the Association, the Committee may engage legal counsel to attend this meeting on behalf of the Member.
- (v) If, after the above stage, the grievance is not resolved to the Member's satisfaction, the Member may submit the matter to arbitration or other form of dispute resolution in accordance with the applicable MOU. If the Member chooses to do so, the Committee may, but is not required to, provide legal representation to the Member for this purpose.

(b) DISCIPLINARY PROCEDURE

- (i) A Member wishing to be represented or assisted by the Association in a disciplinary proceeding must notify the Grievance Officer as soon as the Member believes that he may be the subject of a disciplinary action and provide any documentation he receives from the Public Agency immediately upon receipt.
- (ii) The Grievance Officer shall contact the Committee members within 24 hours of the notification by the Member.
- (iii) The Grievance Committee must, by meeting, email, conference call, or otherwise, discuss the situation and determine what, if any, action shall be taken on behalf of the Member. If the

Committee decides to take no action, the Grievance Officer must contact the Member immediately and allow the Member to address the Committee. If, after the Member has addressed the Committee, the Committee still votes not to take any action, the Member has the right to address the full Board and the full Board, or at least a quorum, shall meet with the Member within 24 hours of the request. In the alternative, the Committee may vote to send the matter directly to the full Board or to legal counsel. If the Committee votes to send the matter to the full Board, the full Board shall convene within 24 hours and allow the Member to attend the meeting and make any comments and produce any evidence the Member so chooses. If the Committee or the Board votes to send the matter directly to legal counsel it shall be the responsibility of the Grievance Officer to speak directly with legal counsel and provide him or her with any material in the possession of the Committee as well as the Member's contact information. The Member shall also be given legal counsel's contact information. If the Board determines that the Member shall not receive any kind of representation, the Grievance Officer must inform the Member in writing, setting forth the basis for this conclusion.

In determining what, if any, action to take with respect to a disciplinary proceeding, the Committee shall evaluate the matter on its merits. The Committee shall not consider factors such as the Member's race, religion, gender, or popularity.

Article XIII Other Provisions

13.01. Endorsement of Documents; Contracts. Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the Association and any other person, when signed by any two duly appointed Officers of the Association shall be valid and binding on the Association in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons, and in the manner, time to time determined by the Board. Unless so authorized by the Board, no Officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

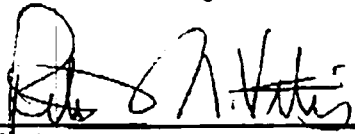
13.02. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Mutual Benefit Corporation Law shall govern the construction of these Bylaws.

13.03. Amendments. These Bylaws may be amended or repealed by the approval of the Board.

CERTIFICATION

I, Rita Vrtis, certify that I am the Secretary of Ventura Employees Association, a California nonprofit mutual benefit corporation, and that the foregoing Amended and Restated Bylaws, comprising 18 pages, constitute the Bylaws of the Corporation as duly adopted at a meeting of the Board of Directors thereof held on August 17, 2006.

Date: 8/17/06



Rita Vrtis