

BYLAWS
OF THE
SANTA CRUZ MASONIC HALL ASSOCIATION

SINGLE LODGE OWNERSHIP

ARTICLE I

MEMBERSHIP

Section 1.01. Classes. There shall be one class of members of this corporation. The sole member shall be Santa Cruz – San Lorenzo Valley Lodge No. 38, F. & A.M. (the “Lodge”).

Section 1.02. Associates. Any individual or entity shall be an Associate of this corporation upon contributing the sum of not less than \$ 100. The Board of Directors may, in its discretion, from time to time, as the corporation may have funds available; repay such contributions, in whole or in part, without interest. An Associate shall not constitute a member within the meaning of Section 5056 of the California Nonprofit Corporation Law or the foregoing provisions of Section 1.01, and is not entitled to representation on the Board of Directors.

Section 1.03. Liability of Member. Subject to the provisions in Section 7420 of the California Nonprofit Corporation Law, no person or entity who is now, or who later becomes, a member of this corporation, shall be personally liable to creditors of this corporation for any indebtedness or liability, and any and all creditors of this corporation shall look only to the assets of the corporation for payment.

Section 1.04. Place of Meetings and Voting. All meetings of the member (that is the Lodge, acting as the sole member of the corporation) shall be conducted at the same time and place as a stated meeting of the Lodge at which a quorum is present. The Lodge shall exercise its rights as the sole member, including its right to elect or remove Directors, only with and pursuant to the authorization of a

majority of the members of the Lodge present at any such meeting, such authorization to be conclusively presumed by written instruments, executed by the Worshipful Master or Secretary of the Lodge filed with the Secretary of the corporation.

ARTICLE II

BOARD OF DIRECTORS

Section 2.01. Number of Directors. The Board of Directors shall consist of 6 elected Directors, all members of the Lodge in good standing. In addition to the above, the Worshipful Master and the Senior Warden shall also be Directors, and shall have the same rights, duties and responsibilities as elected Directors.

Section 2.02. Quorum and Proxy. Five - Eighths ¹of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn. A majority of Directors present at such a meeting shall be required to approve any action. 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 such meeting. A Director may grant a proxy, in writing, to another Director. It shall include a termination date, but in any case shall not extend for more than three (3) months. Proxies shall be counted in determining the presence of a quorum.

Section 2.03. Powers of Directors. Subject to the California Masonic Code, the Articles of Incorporation, other sections of these Bylaws and the California Nonprofit Corporation Law, the activities and affairs of the corporation shall be conducted and all corporate powers of this corporation shall be exercised by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the activities of the corporation to any person or persons, management

¹ Amended at the February 19, 2007 meeting from 2/3 to 5/8.

company or committee however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board of Directors. Without limiting the general powers, the Board of Directors shall have the following powers in addition to other powers enumerated in these Bylaws:

- (a) To select and remove all officers, agents and employees of the corporation, prescribe such powers and duties for them as may not be inconsistent with law, the California Masonic Code, the Articles of Incorporation or these Bylaws, fix their compensation and require from them security for faithful service.
- (b) To conduct, manage and control the affairs and activities of the corporation, and to make rules and regulations not inconsistent with law, the California Masonic Code, the Articles of Incorporation or these Bylaws.
- (c) To borrow money and incur indebtedness for the purpose of the corporation, subject to the limitations contained in the California Masonic Code, and for that purpose to cause to be executed and delivered, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidence of debt and securities.
- (d) To adopt, make and use a corporate seal and to alter the form of such seal from time to time.

Section 2.04. Responsibilities of Directors. In addition to all responsibilities normally required of the Directors of such a corporation, they shall:

- (a) Make themselves knowledgeable of the corporation's mission, purposes, goals, policies, services, strength, and needs.

- (b) Prepare for and actively participate in Board meetings.
- (c) Avoid even the appearance of a conflict of interest that might embarrass the Board or the corporation, and disclose any possible conflicts to the Board in a timely fashion.
- (d) Ensure compliance with the provisions of Sections 22010 and 22020 of the California Masonic Code.
- (e) Control the funds of the corporation, so that they are used only for the maintenance and operation of the Masonic Hall, or turned over to the Lodge in accordance with Section 22010 of the California Masonic Code.
- (f) Ensure that all proper and necessary federal and state tax returns, or other required reports, or documents, are filed in a timely manner.

Section 2.05. Election and Term of Office. Except for the Master and Senior Warden of the Lodge, who serve *ex-officio*, by reason of their office in the Lodge, the term of office for each Director shall be three years. The terms of elected Directors shall be established so that the terms of one-third of the Directors expire each year in January. An elected Director may succeed himself in office only once, for a total service of six years, maximum. A member of the Lodge who has previously served as a Director may be elected again to serve if a period of at least one year has transpired since his last service. However, if a Director is elected to serve out the unexpired term of a vacating Director, and if that service is one year or less, he may later be elected to serve for two full terms of three years each. The retiring Master may be elected a Director and may then serve two full terms, even though he has served one year *ex officio* as Master, and one year *ex officio* as Senior Warden.

In implementing these Bylaws, it may be necessary to adjust the numbers of Directors.

Except as otherwise provided in this Article, each Director shall hold office until the expiration of his term and until his successor is elected and qualified.

Section 2.06. Interested Persons. Not more than one-third of the persons serving on the Board of Directors shall be “interested persons” or have relatives who are “interested persons.” For the purpose of this Section, “interested persons” includes: (i) any person currently being compensated by the corporation for services rendered to it within the previous 12 months, whether as a full or part-time employee, independent contractor or otherwise, or (ii) any brother, sister, son, daughter, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of any such person described in subsection (i). Directors who are “interested persons” shall abstain from the deliberation concerning, and decision on, any issue in which they have an interest.

Section 2.07. Vacancies. A vacancy or vacancies in the Board of Directors shall be filled by the sole member at the earliest possible stated meeting after the vacancy occurs. A successor Director so selected shall serve for the unexpired term of the predecessor, and until his successor has been elected and qualified. A vacancy or vacancies in the Board of Directors 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 sole member may remove any Director at any time, providing that the vote to remove is publicized to the sole member at least one month in advance.

Section 2.08. Regular Meetings. Regular meetings of the Board of Directors shall be held at least every three months without call or notice at such time and place as shall from time to time be fixed by the Board of Directors. One regular meeting shall be designated the Annual Meeting.

Section 2.09. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time and place by the President, Vice President, Secretary or any two

Directors. Notice of the time and place of special meetings shall be given to each Director either by (i) a written notice sent by first-class mail, six days before the date of the meeting, or (ii) at least a 48 hours' notice delivered personally or by telephone or other similar means of communication.

Section 2.10. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors 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. For the purposes of this Section only, "all members of the Board" shall not include any "interested director" as defined in Section 5233 of the California Nonprofit Corporation Law insofar as it is made applicable pursuant to Section 7238 of the California Nonprofit Corporation Law.

Section 2.11. Right of Inspection; Right to Attend Meetings. Every Director, every member of the Lodge, the District Inspector of the Lodge, or any other designated representative of the Grand Master, shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation. Any member of the Lodge, the District Inspector, or the Grand Master's designated representative shall have the right to attend meetings of the Board of Directors. They may ask pertinent questions concerning any matter under consideration during the meeting, but shall not have the right to participate in deliberations nor vote.

ARTICLE III

OFFICERS

Section 3.01. Officers. The officers of this corporation shall be a President, a Vice President, a Secretary and a Chief Financial Officer. No person may serve simultaneously as President and Secretary nor as both President and Chief Financial Officer.

Section 3.02. Election. The Board of Directors shall elect the officers at the Annual Meeting. The officers shall serve at the pleasure of the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected. Only Directors shall serve as officers.

Section 3.03. Removal and Resignation. The Board of Directors may remove any officer, with or without cause, at any time. Any officer may resign at any time.

Section 3.04. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled by the Board of Directors.

Section 3.05. President. The President shall be the general manager and chief executive officer of the corporation with general supervision, direction and control of the business and officers of the corporation, subject to the control of the Board. The President shall preside at all meetings of the Board of Directors. The President has the general powers and duties of management usually vested in the office of president of a corporation and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors. The President shall vote only to resolve a tie or otherwise as specified by Roberts' Rules of Order or California law. The President shall cause to be filed all reports specified in the California Masonic Code.

Section 3.06. Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President and when so acting shall have all the powers of the President. The Vice President shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

Section 3.07. Secretary. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a full and complete record of all meetings of the Board and its committees, and actions of the sole member. The Secretary shall keep or cause to be kept at the principal office in the State of California the original or a copy of the corporation's Articles of Incorporation and Bylaws, as amended to date. The Secretary shall keep the seal of the corporation in safe custody and affix it to such papers and instruments as may be required in the regular course of business. The Secretary shall give, or cause to be given, notice of all meetings of the Board, its committees and the sole member of this corporation required by these Bylaws or by law to be given. The Secretary shall supervise the keeping of the records of the corporation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.

Section 3.08. Chief Financial Officer. The Chief Financial Officer shall receive and safely keep all funds of the corporation and deposit them in the bank or banks that may be designated by the Board of Directors. Those funds shall be paid out only on checks of the corporation and signed by any one² or more of the President, Vice President, Chief Financial Officer, Secretary or other Director as may be designated by the Board of Directors as authorized to sign them. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and

² Amended at the March 10, 2008 meeting: changed from "two" to "one"

business transactions of the corporation. The Chief Financial Officer shall have such other powers and perform such other duties as may be prescribed from time to time by the Board of Directors.

ARTICLE IV

MISCELLANEOUS

Section 4.01. Statutory Indemnity. The corporation shall indemnify its Directors, officers and employees to the fullest extent permitted by the California Nonprofit Mutual Benefit Law.

Section 4.02. Amendments. These Bylaws may be amended or repealed by approval of a majority of the Directors then in office; provided, however, that the sole member must approve any action that would: (i) materially and adversely affect the right of the sole member as to voting, dissolution, redemption or transfer of its membership; (ii) increase or decrease the number of memberships authorized (that is change from a single ownership to multiple ownership); (iii) effect an exchange, reclassification, or cancellation of all or any part of the membership; (iv) authorize a new class of membership; or (v) change the number of Directors.

Section 4.03. Grand Lodge Copy. A current copy of these Bylaws must be submitted to and on file at the Office of the Grand Lodge of California.

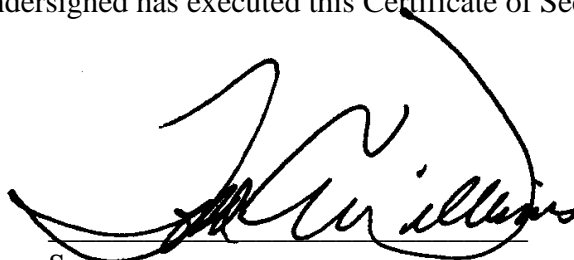
CERTIFICATE OF SECRETARY

The undersigned, Todd E Williams, hereby certifies that:

(1) The undersigned is the duly elected and acting Secretary of Santa Cruz Masonic Hall Association, a California nonprofit mutual benefit corporation.

(2) Attached hereto is a complete and correct copy of the Bylaws of such corporation as adopted March 10, 2008, and which have not been amended or modified since such date.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Secretary on March 10, 2008.



Secretary