

**BYLAWS OF
SACRAMENTO AREA ACOUSTICAL CONTRACTORS' ASSOCIATION**

ARTICLE I. NAME OF ORGANIZATION

Section 1.01. Name of Unincorporated Association. The name of this unincorporated association is Sacramento Area Acoustical Contractors' Association (hereinafter "the Association").

ARTICLE II. OFFICES

Section 2.01. Principal Office. The principal office of the Association for its transaction of business is located at 1721 Second Street, Suite 201, Sacramento, California 95814 c/o Cornelius & Company, James DeBartelo.

Section 2.02. Change of Address. The Board of Directors may change the principal office of the Association from one location to another. Any such change shall be noted by the Secretary in these Bylaws, but shall not be considered an amendment of these Bylaws.

Section 2.03. Branch or Subordinate Offices. The Board of Directors may at any time establish branch or subordinate offices at any place or places in the State of California.

ARTICLE III. MEMBERSHIP

Section 3.01. Classification and Qualification of Members. The Association shall have two classes of members, designated as Regular and Subscriber Members.

(a) Regular membership may be open to any individual who meets each of the following qualifications:

- (1) Be a natural person;
- (2) Have an ownership interest in or be an officer of a business entity which owns and operates one or more shops performing work in the acoustical or related trades in the State of

California;

(3) The related business entity must be and remain solvent;

(4) The person or related business must possess a C-2 or related specialty trade contractors' license; and

(1) Support the Association's purposes as stated in these Bylaws.

(b) Subscriber membership may be issued to any individual, partnership, corporation or trade association that supports the Association's purposes as stated in these Bylaws. Subscriber Members shall not be entitled to vote and shall acquire no property rights or interests in the assets of the Association by reason of such membership.

Section 3.02. Eligibility for Membership. Any natural person is eligible to be a member of the Association, provided he/she meets the qualifications set forth in Section 3.01 of these Bylaws, and no other owner or officer of the business entity is already a member.

Section 3.03. Admission to Membership. Any person qualified for membership under Section 3.01 of these Bylaws and eligible for membership under Section 3.02 of these Bylaws, shall be admitted to membership only on the approval of the Board of Directors of an application submitted by such person in such form and in such manner as shall be prescribed by the Board of Directors and on the payment of the application fee, if any has been set by the Board of Directors. Members who have paid the required dues, fees and assessments in accordance with these Bylaws and who are not suspended shall be members in good standing.

Section 3.04. Application Fee. There may be a fee in an amount established through resolution of the Board of Directors, charged for, and payable with, the application for membership. Such application fee shall be non-refundable.

Section 3.05. Dues. The dues payable to the Association by members shall be in such

amount as shall be determined by resolution of the Board of Directors. A member, on learning of the amount of dues determined by the Board of Directors and the time or times of payment fixed by the Board of Directors, may avoid liability for the dues by promptly resigning from membership, except where the member is, by contract or otherwise, liable for the dues. The Board of Directors may direct the conduct of an audit of members' books from time to time to assure that the proper amount of dues have been paid. The Board may also direct the initiation of an action in the appropriate court for the enforcement of this agreement, including the obligation to pay dues and submit to an audit. The prevailing party shall be entitled to its attorneys' fees and costs.

Section 3.06. Assessments. Memberships are subject to assessments which may be levied and collected only upon approval by a majority of the members entitled to vote, or the vote of a majority of a quorum of a meeting duly called and noticed for this purpose in accordance with these Bylaws. Any member, on learning of an assessment, may avoid liability for it by promptly resigning from membership, providing that the member is not otherwise liable for the assessment by contract or otherwise.

Section 3.07. Membership Book. The Association shall keep in written form a membership book containing the name and address of each member. The book shall also contain the fact of termination and the date on which such membership ceased. Such book shall be kept at the principal office of the Association and shall be subject to the rights of inspection required by law.

Section 3.08. Non-liability of Members. A member of the Association shall not solely because of such membership be personally liable for the debts, obligations, or liabilities of the Association.

Section 3.09. Termination or Suspension of Membership.

(a) The membership and all rights of membership shall automatically terminate on the occurrence of any of the following causes:

- (1) The voluntary resignation of a member, with notice as prescribed by Section 3.09(b) of these Bylaws;
- (2) Where a membership is issued for a period of time, the expiration of such period of time;
- (3) The death of a member;
- (4) Insolvency or dissolution of a member or related business entity;
- (5) The non-payment of dues or assessments, or other breach of these Bylaws, subject to the limitations set forth in Section 3.09(c) of these Bylaws;
- (6) Failure to maintain qualifications for membership, subject to the limitations set forth in Section 3.09(c) of these Bylaws;
- (7) Engaging in acts or conduct which, after completion of the due process safeguards set forth in Section 3.09(c) below, are found to be inimical to the best interests of the Association.

(b) 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 Executive Director of the Association personally or deposited in United States first class mail, postage prepaid.

(c) The membership of any member who fails to pay his/her dues or assessments when due and within thirty (30) days thereafter shall automatically terminate at the end of such thirty (30) day period, provided such member was given both a fifteen (15) day prior written

notice of the termination stating the reasons therefore and a timely opportunity to be heard on the matter of the termination. A member may also be terminated or otherwise sanctioned for failing to maintain qualifications or engaging in conduct inimical to the best interests of the Association provided, however, that said member shall have received written notice and an opportunity to be heard on the charge. The notice shall be given personally to such member or sent by first class mail to the last address of such member as shown on the records of the Association. The opportunity to be heard may, at the election of such member, be oral or in writing, and shall be made available not less than five (5) days before the effective date of the termination. The hearing shall be conducted at the time and place designated in the notice by a committee composed of all, or at least a majority of, the members of the Board of Directors of the Association. The hearing shall be presided over by the President or his/her designee, who shall perform the following duties:

- (1) Read the charges against the subject member;
- (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 testimony of that witness;
- (5) Allow the subject member to make a statement in his/her own behalf;
- (6) Allow the subject member to call witnesses in his/her own behalf; and
- (7) Allow the members of the committee conducting the hearing to question the witnesses after they have been questioned by the subject member.

The committee conducting the hearing shall conduct the hearing in good faith and in a

fair and reasonable manner. The committee shall have the exclusive power and authority to decide that the proposed termination or other sanction not take place or to impose some lesser sanction, including but not limited to suspension of membership.

(d) All rights of a member in the Association and in its property or assets, if any, shall cease on the termination of such member's membership. Termination shall not relieve the member from any obligation or charges incurred, services or benefits actually rendered, dues, assessments, or fees, arising from contract or otherwise. The Association shall retain the right to enforce any such obligation and obtain damages for its breach.

(e) Suspension of Membership. A membership may be suspended based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the Association's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the Association's purposes and interests. A member whose membership is suspended shall not be a member during the period of suspension.

Section 3.10. Memberships Non-Transferable. A membership in the Association shall not be assigned or transferred, either voluntarily or involuntarily, or by operation of law. Nor can any membership or membership rights or property rights of a member in the Association be assigned, transferred, alienated or encumbered in any manner or by any means whatsoever. Any purported attempted assignment, transfer, alienation or encumbrance of membership or membership property rights shall be wholly void and confer no rights upon the purported assignee or transferee as a member of the Association.

ARTICLE IV. MEETINGS OF MEMBERS

Section 4.01. Place of Meetings. All meetings of the Association shall be at a location as

designated by the Board of Directors and may be changed from time to time.

Section 4.02. Annual Meeting. The annual meeting of the members for the election of the Board of Directors and the transaction of other business shall be held annually at the principal office of the Association or at such other place as may be designated in the notice for such meeting or by telephone or computer if so provided in the notice for such meeting. Written notice of such meetings shall be given personally or by first class mail to each member by the Secretary or Executive Director at least ten (10) days prior to the time of the meeting and shall be sent to the address of each member appearing on the books of the Association.

Section 4.03. Special Meetings. Special meetings of the members of the Association may be called upon demand of the President, any two (2) directors, or any ten (10) members in good standing to be held at such time as specified in writing. Special meetings shall be held on four (4) days' notice by first class mail, postage prepaid, or on twenty-four (24) hours' notice delivered personally or by facsimile. The written demand for a special meeting shall specify the general nature of the business proposed to be transacted and be submitted to the President, any Vice President or the Secretary of the Association. Only such special business as is set forth in the written notice of this meeting is to be transacted at a special meeting of the members of the Association. Nothing in this section shall be construed as limiting, fixing or affecting the time at which a meeting of members may be held when the meeting is called by the Board.

Section 4.04. Quorum. A quorum at any meeting of members shall consist of at least ten (10) voting members or 40% of voting members, whichever is less, present in person or by proxy. 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, but no other business may be transacted.

Section 4.05. Voting of Membership.

(a) Each Regular Member is entitled to one vote on each matter submitted to a vote of the members. Voting shall be by voice, facsimile or electronic mail except that when voting for directors and officers, upon demand of any voting member, the election shall be by ballot.

(b) If attendance at any general or annual meeting, whether in person or by proxy, is less than one third of the voting power, the members may vote only on matters as to which notice of their general nature was given under these Bylaws.

(c) Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals of a meeting:

- (1) Removing a director without cause;
- (2) Filling vacancies on the Board;
- (3) Amending the articles of association; or
- (4) Electing to wind up and dissolve the Association.

(d) Any action required or permitted to be taken by the members may be taken without a meeting, if all members entitled to vote on such action consent in writing to the action. The written consent or consents shall be filed with the minutes of the meeting. The action by written consent shall have the same force and effect as a unanimous vote of the members.

(e) Approval by written ballot shall be valid only when (i) the number of votes cast by ballot within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

(f) A written ballot may not be revoked.

Section 4.06. Conduct of Meetings.

(a) The President of the Association or, in his/her absence, any other person chosen by a majority of the voting members present in person or by proxy shall be Chairperson of and shall preside over the meetings of the members.

(b) The Executive Director or other director of the Association shall act as the secretary of all meetings of members; provided that in his/her absence, the Chairperson of the meetings of the members shall appoint another person to act as secretary of the meetings.

(c) The Robert's Rules of Order, as may be amended from time to time, shall govern the meetings of members insofar as such rules are not inconsistent with or in conflict with these Bylaws, the Articles of Association, or the law.

ARTICLE V. BOARD OF DIRECTORS

Section 5.01. Composition of Board and Term of Directorship. The Association shall be governed by a Board of Directors consisting of four (4) persons who are Regular Members of the Association. The Board of Directors shall be composed of the President, Vice President, Secretary and Treasurer/Chief Financial Officer. The Board of Directors shall hold office for the ensuing two (2) calendar years following their election and from year-to-year thereafter unless any two (2) Regular Members shall timely petition the Board for an election as provided in Section 5.03 below. The Board by a majority vote may remove any member of the Board for cause. Any director may also be removed, with or without cause, upon majority vote of the members entitled to vote, or the vote of a majority of a quorum at a meeting called and noticed for this purpose in accordance with Section 4.03, Special Meetings.

Section 5.02. Qualification. All directors of the Association must be Regular Members in good standing. Directors must be employer members. To qualify as an employer member, the

individual must be either a principal, partner, officer or in upper management of a company that employs one (1) or more persons in the acoustical or related trades in the state of California.

Section 5.03. Election. Members wishing to call an election among one or more of the directors shall not less than sixty (60) days before the end of the Directors' term or any anniversary thereafter, serve the President or Executive Director of the Association with written notice of such request for election, signed by at least three (3) members or 30% of the membership in good standing. The notice may include a nomination for any or all directors. The Board of Directors shall, not less than fifteen (15) days before the annual meeting, select a slate of eligible candidates for election of directors/officers. After a reading of this slate by the President at the annual meeting, nominations may be added from the floor by any member in good standing, and upon receiving a second, their names shall be added to the slate. The initial directors of the Association shall be elected by the organizers of the Association.

Section 5.04. Powers. The Board of Directors shall exercise the following powers:

- (a) The enforcement of the Bylaws of this Association;
- (b) The supervision of the financial affairs of the Association, including the designation of banks or other depositories in which to deposit funds, and the designation of the persons who shall draw therefrom and in what manner;
- (c) Passing on all applications for membership or delegate the approval of membership applications to a committee or person;
- (d) Supervision over all real and other property of the Association;
- (e) Act as a trial or hearing Board;
- (f) Levy such dues and assessments as may be required to fulfill the intent and purposes of the Association;

(g) Appoint and remove, at the pleasure of the Board, all corporate officers, agents, committees and employees; prescribe powers and duties for them and make rules governing them as are consistent with the law, the Articles of Association, and these Bylaws; fix their compensation, if any; and require from them security for faithful service;

(h) Change the principal office from one location to another;

(i) Cause the Association to be qualified to conduct its activities in any other state, territory, or country;

(j) Conduct the Association's activities in or outside California; and

(k) such other powers as may be authorized or permitted by law.

Section 5.05. Meetings.

(a) Meetings of the Board may be called by the President or any two Directors.

(b) Regular meetings of the Board shall be held, without call or notice, immediately preceding or following each annual meeting of the members of the Association as set forth in Section 4.02 of these Bylaws.

(c) Special meetings of the Board may be called by the President or any two (2) Directors. Special meetings shall be held on four (4) days' notice by first class mail, postage prepaid, or on twenty-four (24) hours' notice delivered personally or by facsimile. Notice of the special 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 the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of such notice to such Director. All such waivers, consents, and approval shall be filed with the Association records or made a part of the minutes of the meetings.

(d) A majority of the authorized number of Directors constitutes a quorum of the

Board for the transaction of business, except as hereinafter provided.

(e) Except as otherwise provided in the Articles, in these Bylaws, or by law, 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, provided, however, that any meeting at which a quorum was 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.

(f) A majority of the Directors present at a meeting, whether or not constituting a quorum, may adjourn any meeting to another time and place or may adjourn for purposes of reconvening in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved and orders of business of a similar nature. If the meeting is adjourned for more than 24 hours, notice of adjournment to any other time or place shall be given prior to the time of the adjourned meeting to the directors who are not present at the time of the adjournment. Except as herein provided, notice of adjournment need not be given.

Section 5.06. Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board 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.

Section 5.07. Removal of Directors.

(a) The Board may declare vacant the office of a Director on the occurrence of any of the following events:

- (1) Death of a director;

(2) The Director has been declared of unsound mind by a final order of court;

or

(3) The Director has been convicted of a felony.

(b) Any or all of the Directors may be removed without cause only upon approval by 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 this purpose in accordance with these Bylaws.

Section 5.08. Resignation of Director. Any Director may resign effective on giving written notice to the President, the Secretary, or the Executive Director of the Association, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

Section 5.09. Vacancies in the Board.

(a) Vacancies on the Board of Directors shall exist on the death, resignation, or removal of any Director; whenever the number of Directors authorized is increased; and on the failure of the voting members in any election to elect the full number of Directors authorized.

(b) Except for a vacancy created by the removal of a Director pursuant to Section 5.07(b) of these Bylaws, vacancies on the Board of Directors may be filled by approval of the majority of the Directors. In the event there is a deadlock, the President shall cast an additional deciding vote.

(c) Vacancies created by removal of Directors under Section 5.07(b) shall be filled only by the approval of the voting members in the same manner as the Director was removed. The members may elect a Director at any time to fill any vacancy not filled by the Directors.

ARTICLE VI. OFFICERS

Section 6.01. Officers. The officers of the Association shall be President, Secretary and Treasurer/Chief Financial Officer. The Association may also have one or more Vice Presidents. Said officers shall be elected by the members entitled to vote for an initial period of one year and for year-to-year periods thereafter, unless a notice of election pursuant to Section 5.03 is timely filed. Should a vacancy occur, it shall be filled by the Board of Directors for the unexpired term. The initial officers of the Association shall be elected by the organizers of the Association.

Section 6.02. Qualification. To qualify as an officer of the Association, a member must be a voting member in good standing and either a principal, partner, corporate officer or in upper management of a company that employs one (1) or more persons in the acoustical or related trades.

Section 6.03. President. The President shall be the Chief Executive Officer of the Association. He/she shall preside at all meetings of the membership and of the Board of Directors. He/she shall be an ex-officio member of all the standing committees or special committees. The President is hereby empowered to appoint all committees hereinafter specified or which may be hereafter created by the Board of Directors or by the membership. He/she shall perform such other duties and have such other powers as may be prescribed by the Board of Directors from time to time.

Section 6.04. Vice President. In the absence or disability of the President, the Vice President, if any, in order of their rank as fixed by the Board or, if not ranked, a Vice President designated by the Board shall perform all of the duties of the President. The Vice President shall have such other powers and perform such other duties as from time to time shall be prescribed by the Board of Directors.

Section 6.05. Secretary. It shall be the duty of the Secretary to assure the maintenance of a record of the proceedings of all meetings of the members, the Board of Directors, any and all

committees, and all other matters of which a record shall be ordered by the Association.

Section 6.06. Treasurer/Chief Financial Officer. The Treasurer shall act as the Chief Financial Officer of the Association and shall, under the direction of the Board and in accordance with these Bylaws, assure the proper accounting for, collection of and disposition of all assets of the Association. The Treasurer or, at his/her direction, the Executive Director shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times. The Treasurer or, at his/her direction, the Executive Director shall (i) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Association with such depositories as the Board may designate; (ii) disburse the Association's funds as the Board may order; (iii) render to the President and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the Association; and (iv) have such other powers and perform such other duties as the Board or the Bylaws may require.

Section 6.07. Executive Director. In addition to the other officers designated in these Bylaws, the Board of Directors may, at its sole discretion, appoint an Executive Director who need not be a member of the Association, to act as the agent of the Board in the conduct and management of the business of the Association. The Executive Director shall at all times be under the supervision and control and subject to the direction of the Board. The Executive Director shall perform all duties prescribed by the Board of Directors. The Board of Directors may, from time to time, fix and determine the compensation to be received by the Executive Director and contract for his/her services.

It shall be the duty of the President or Executive Director to keep a record of the proceedings of all meetings of the members, the Board of Directors, and any and all committees,

and all matters of which a record shall be ordered by the Association. The President or Executive Director shall notify the Officers and all members of the committees of their election or appointment, and shall issue notices of all meetings.

Section 6.08. Removal of Officers. The Board may remove any officer with or without cause.

Section 6.09. Resignation. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Any resignation shall be without prejudice to any rights of the Association under any contract to which the officer is a party.

Section 6.10. Vacancy. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for normal appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

ARTICLE VII. COMMITTEES

Section 7.01. Creation of Committees. The Board of Directors, or President acting alone, may, from time to time, constitute and create committees, fill the membership of said committees from the membership at large of the Association, and abolish such committees. Each committee shall consist of two or more directors. Appointments to a committee shall be by a majority vote of the directors then in office.

Section 7.02. Limitations on Authority of Committees. Any committee shall have the authority provided by the Board in the board resolution, except that no committee may:

- (a) Take any final action on any matter that, under law, also requires approval of the members or approval of a majority of all members;
- (b) Fill vacancies on the Board or any committee of the Board;
- (c) Amend or repeal these Bylaws or adopt new Bylaws;

(d) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable; or

(f) Create any other committees of the Board or appoint the members of committees of the Board.

Section 7.03. Meetings. Meetings and actions of committees of the Board shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings and other Board actions, except that the time for general meetings of such committees and the calling of special meetings of such committees may be set either by board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the records of the Association. The Board may adopt rules for the governance of any committee as long as the rules are consistent with these Bylaws.

ARTICLE VIII. AMENDMENT OF BYLAWS

Section 8.01. These Bylaws may be amended from time to time by the Board of Directors at any regular or special meeting; said amendments to continue in effect until the next regular meeting of the membership, at which time they must be submitted to the membership at large for approval or rejection.

ARTICLE IX. RECORDS

Section 9.01. Keeping Records. The Association shall keep adequate and correct records of account and minutes of the proceedings of its members, Board, and committees of the Board. The Association shall also keep a record of its members. The minutes shall be kept in written form. Other books and records shall be kept in either written form or in any other form capable of being converted into written form.

ARTICLE X. PURPOSES AND LIMITATIONS

Section 10.01. Purposes.

(a) This Association is a non-profit association within the meaning of Corporations Code section 21000. The purpose of this Association is to engage in any lawful act or activity for which an association may be organized under such law. Among such purposes for which this Association is formed are the advancement and promotion of high standards of business practice and management among specialty trades contractors, to promote the safety, health and well being of members and employees of their businesses; and to generally promote the best interests of specialty trades contractors. This Association is organized exclusively for such purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1954.

(b) Specialty Trade Contractor Defined. For purposes of these Bylaws, a specialty trade contractor shall be defined as a specialty contractor possessing a valid license issued by the State Contractors' License Board to perform work in the acoustical or related trades.

Section 10.02. Limitations.

(a) No substantial part of the activities of this Association shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this Association shall not participate or intervene in (including the publishing or distribution of statements in connection with) any political campaign on behalf of any candidate for public office.

(b) The property, assets, profits and net income of the Association are dedicated irrevocably to the purposes set forth in Section 10.01 above. No part of the properties, profits or net earnings of this Association shall inure to the benefit of any of its Directors, trustees, officers, members, or employees.

(c) Upon the winding up and dissolution of this Association, after paying or adequately providing for the payment of the debts, obligations and liabilities of the Association,

the remaining assets of this Association shall be distributed to a non-profit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under one of the subsections of Section 501(c) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law.)

(d) Notwithstanding any other provision of these Bylaws, this Association shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of this Association, and the Association shall not carry on any other activities not permitted to be carried on (i) by an association exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law); or (ii) by an association, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE XI. INDEMNIFICATION OF DIRECTORS, OFFICERS,
EMPLOYEES AND AGENTS

Section 11.01 Indemnification.

(a) The Association will indemnify its "agents" as that term is defined in California Corporations Code Section 5238(a) to the maximum extent provided by law.

(b) The Board of Directors will adopt a resolution authorizing the purchase and maintenance of insurance on behalf of its agents against liability arising out of such status as a director, officer, employee or agent.

(c) To qualify for indemnification under these Bylaws, the indemnitee must first notify the Board of Directors of his/her claim in writing.

**CERTIFICATION OF SECRETARY/TREASURER
OF
SACRAMENTO AREA ACOUSTICAL CONTRACTORS' ASSOCIATION**

I hereby certify that I am the duly elected and acting Secretary/Treasurer of the Sacramento Area Acoustical Contractors' Association and that the foregoing Bylaws constitute the Bylaws of said Association duly adopted by the initial directors to be effective June _____, 2000.

SECRETARY/TREASURER