

## DOCKETED

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<b>Project Title:</b>	HERS Providers' Application for the 2016 Standards
<b>TN #:</b>	212896
<b>Document Title:</b>	Exhibit H - CalCERTS Corporate Documents
<b>Description:</b>	Confidential designation is not granted for this Exhibit H.
<b>Filer:</b>	Shelby Gatlin
<b>Organization:</b>	CalCERTS, Inc.
<b>Submitter Role:</b>	Applicant
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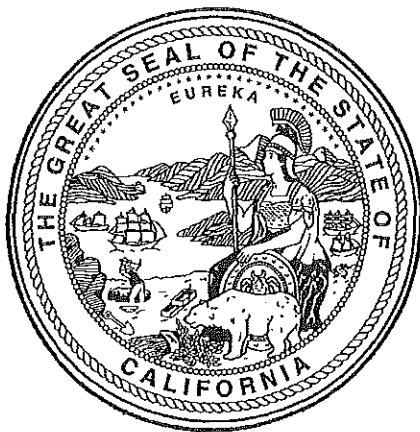
2846879

State of California  
Secretary of State



I, BRUCE McPHERSON, Secretary of State of the State of California, hereby certify:

That the attached transcript of 2 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

JAN - 7 2006

A handwritten signature in cursive script, reading "Bruce McPherson".

BRUCE McPHERSON  
Secretary of State

2846879

ENDORSED - FILED  
in the office of the Secretary of State  
of the State of California

ARTICLES OF INCORPORATION

OF

DEC 30 2005

CalCERTS, INC.

The undersigned Incorporator does hereby execute, acknowledge and cause to be filed the following Articles of Incorporation, for the purpose of forming a corporation under the Corporations Code of the State of California.

ONE: The name of this Corporation is:

CalCERTS, INC.

TWO: The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business, or the practice of a profession permitted to be incorporated by the California Corporations Code.

THREE: The name in the State of California of this Corporation's initial agent for service of process is:

CINNAMON & DOBASHI, INC.

FOUR: This Corporation is authorized to issue only one (1) class of shares of stock. The total number of shares which this Corporation is authorized to issue is fifty thousand (50,000).

FIVE: The liability of the directors of the Corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

CINNAMON & DOBASHI, INC., 11211 GOLD COUNTRY BOULEVARD, SUITE 101 GOLD RIVER, CA 95670 (916) 935-5800

CINNAMON & DOBASHI, INC., 11211 GOLD COUNTRY BOULEVARD, SUITE 101 GOLD RIVER, CA 95670 (916) 635-6800

The Corporation is authorized to provide indemnification of its agents (as such term is defined in Section 317 of the Corporations Code), whether by bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, in excess of the indemnification expressly permitted by Section 317 of the Corporations Code for breach of duty to the Corporation and its shareholders, subject only to the applicable limits on such indemnification set forth in Section 204(a)(11) of the Corporations Code.

IN WITNESS WHEREOF, the undersigned Incorporator has executed the foregoing Articles of Incorporation.

DATED: December 21, 2005.

  
MICHAEL E. BACHAND,  
Incorporator

I hereby declare that I am the person who executed the foregoing Articles of Incorporation, which execution is my act and deed.

  
MICHAEL E. BACHAND



**BYLAWS  
OF  
CALCERTS, INC.**

A California Corporation

**ARTICLE I  
OFFICES**

1.01 **Place of Business.** The principal executive office of the Corporation shall be located at 200 Crestridge Lane, Folsom, California.

1.02 **Change of Location.** The Board of Directors shall have the authority to change the principal executive office. The Corporation may have such other offices, either within or without the State of California, as the Board of Directors may designate or as the business of the Corporation may from time to time require.

**ARTICLE II  
SHAREHOLDER MEETINGS**

2.01 **Place of Meetings.** Meetings of Shareholders shall be held at the principal executive office of the Corporation or at any other place, either within or without the State of California, designated by the Board of Directors or by consent of all persons entitled to vote thereat, in writing, presented before or after the meeting and filed with the Secretary.

2.02 **Annual Meetings.** The annual meetings of the Shareholders shall be held on the third Monday of December in each year beginning with the year 1:00 p.m. However, if such day is a legal holiday, the meeting shall then be held on the next succeeding business day. At the annual meeting, the Shareholders shall elect a Board of Directors and shall transact such other business as may come before the meeting. If an

annual meeting is not held within sixty (60) days after the date designated (or fifteen (15) months after the Corporation is organized), any Shareholder may, upon notice and after an opportunity to be heard, obtain an order requiring the meeting to be held.

2.03 **Special Meetings.** Special meetings of the Shareholders may be called by the Board of Directors, the Chairman of the Board, the President or the holders of shares entitled to cast not less than ten percent (10%) of the votes at the meeting.

2.04 **Notice of Meeting.**

(a) Notice of annual or special meetings shall be given, in writing, not less than ten (10) days (or if sent by third class mail, thirty (30) days), nor more than sixty (60) days, before the date of the meeting to each Shareholder entitled to vote thereat. Notice of any meeting of Shareholders shall state the place, date and hour of the meeting and (1) in the case of a special meeting, the general nature of the business to be transacted (and no other business may be transacted), or (2) in the case of the annual meeting, those matters which the Board of Directors, at the time of the mailing of the notice, intends to present for action by the Shareholders. The notice of any meeting at which directors are to be elected shall include the names of nominees intended, at the time of the notice, to be presented by the Board of Directors for election.

(b) Notice of a Shareholders' meeting, or any report, shall be given either personally or by first class mail or, in the case of a Corporation with outstanding shares held of record by five hundred (500) or more persons, on the record date for the Shareholders' meeting, notice may be sent third-class mail or other means of written communication addressed to the Shareholder at the address of such Shareholder appearing on the books of the Corporation or given by the Shareholder to the

Corporation for the purpose of notice; or if no such address appears or is given, at the place where the principal executive office of the Corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal executive office is located. The notice or report shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication. An affidavit of mailing of any notice or report in accordance with the provisions of this division, executed by the Secretary, Assistant Secretary or any transfer agent, shall be prima facie evidence of the giving of the notice or report.

(c) If any notice or report addressed to the Shareholder at the address of such Shareholder appearing on the books of the Corporation is returned to the Corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the Shareholder at such address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available for the Shareholder, upon written demand of the Shareholder, at the principal executive office of the Corporation for a period of one (1) year from the date of the giving of the notice or report to all other Shareholders.

(d) Upon request, in writing, to the Chairman of the Board, the President, the Vice President or the Secretary by any person (other than the Board of Directors) entitled to call a special meeting of Shareholders, the officer forthwith shall cause notice to be given to the Shareholders entitled to vote that a meeting will be held at a time requested by the person or persons calling the meeting, not less than thirty-five (35) nor more than sixty (60) days after the receipt of the request.

(e) When a Shareholders' meeting is adjourned to another time or place, unless the Bylaws otherwise require, notice need not be given of the adjourned meeting if the time

and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than forty-five (45) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Shareholder of record entitled to vote at the meeting.

2.05 Quorum. At any meeting of Shareholders, a majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum. In the absence of a quorum, any meeting of the Shareholders may be adjourned from time to time by the vote of a majority of the shares represented either in person or by proxy.

2.06 Voting.

(a) The Shareholders entitled to notice of any meeting, or to vote at any meeting, shall be only the persons in whose names shares stand on the share records of the Corporation on the record date determined in accordance with these Bylaws but which date shall not be more than sixty (60) nor less than ten (10) days prior to the date of such meeting nor more than sixty (60) days prior to any other action.

(b) If no record date is determined, (1) the record date for determining Shareholders entitled to notice of, or to vote at, a meeting of Shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held, (2) the record date for determining Shareholders entitled to give consent to corporate action in writing without a meeting, when no prior action by the Board of Directors has been taken, shall be the day on which the first written consent is given, (3) the record date for determining Shareholders for any other purpose shall be at the close of

business on the day on which the Board of Directors adopts the resolution relating thereto or the sixtieth (60th) day prior to the date of such other action, whichever is later.

(c) Every Shareholder entitled to vote shall be entitled to one (1) vote for each share held except for the election of directors. Any Shareholder entitled to vote on any matter may vote part of the shares in favor of the proposal and refrain from voting the remaining shares or vote them against the proposal other than elections to office, but, if the Shareholder fails to specify the number of shares such Shareholder is voting affirmatively, it will be conclusively presumed that the Shareholder's approving vote is with respect to all shares such Shareholder is entitled to vote. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on any matter (other than the election of directors) shall be the act of the shareholders, unless the vote of a greater number or voting by classes is required by California General Corporation Law or by the articles of incorporation.

(d) In an election for directors, if a candidate's name has been placed in nomination prior to the voting and one (1) or more names has been placed in nomination prior to the voting and one (1) or more Shareholders has given notice at the meeting prior to the voting of the Shareholder's intent to cumulate the Shareholders' votes, then every Shareholder entitled to vote may cumulate votes and give one (1) candidate a number of votes equal to the number of directors to be elected multiplied by the number of shares which the Shareholder is entitled to vote, or distribute the votes on the same principle among as many candidates as the Shareholder chooses. The candidate receiving the highest number of affirmative votes, up to the number of directors to be elected, shall be elected; votes against the directors and votes withheld shall have no legal effect. Upon the demand of any Shareholder made before the voting begins, the election of directors shall be by ballot.

2.07 **Voting Agreements and Voting Trusts.** Shares in the Corporation may be transferred by written agreement to trustees in order to confer upon them the right to vote and otherwise represent the shares for such period of time, not exceeding ten (10) years, as may be specified in the agreement. The validity of a voting trust agreement, otherwise lawful, shall not be affected during a period of ten (10) years from the date when it was created or last extended as hereinafter provided by the fact that under its terms it will or may last beyond such ten (10) year period. At any time within two (2) years prior to the time of expiration of any voting trust agreement as originally fixed or as last extended as provided in this subdivision, one (1) or more beneficiaries under the voting trust agreement may, by written agreement and with the written consent of the voting trustee or trustees, extend the duration of the voting trust agreement with respect to their shares for an additional period not exceeding ten (10) years from the expiration date of the trust as originally fixed or as last extended as provided in this subdivision. A duplicate of the voting trust agreement and any extension thereof shall be filed with the Secretary of the Corporation and shall be open to inspection by a Shareholder, a holder of a voting trust certificate or the agent of either, upon the same terms as the record of Shareholders of the Corporation is open to inspection.

2.08 **Voting by Representative, Fiduciaries, Receivers and Pledgees.**

(a) Shares held by an administrator, executor, guardian, conservator or custodian may be voted by such holder either in person or by proxy, without a transfer of such shares into the holder's name; and shares standing in the name of a trustee may be voted by the trustee, either in person or by proxy, but no trustee shall be entitled to vote shares held by

such trustee without a transfer of such shares into the trustee's name.

(b) Shares standing in the name of a receiver may be voted by such receiver; and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into the receiver's name if authority to do so is contained in the order of the court by which such receiver was appointed.

(c) Except where a Shareholder has authorized another person to act by proxy, and where otherwise agreed in writing between the parties, a Shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee and thereafter the Pledgee shall be entitled to vote the shares so transferred.

(d) Shares standing in the name of a minor may be voted and the Corporation may treat all rights incident thereto as exercisable by the minor, in person or by proxy, whether or not the Corporation has notice, actual or constructive, of the nonage, unless a guardian of the minor's property has been appointed and written notice of such appointment given to the Corporation.

#### 2.09 Voting by Corporate Shareholders.

(a) Shares standing in the name of another corporation, domestic or foreign, may be voted by such officer, agent or proxyholder as the Bylaws of such other corporation may prescribe or, in the absence of such provision, as the Board of Directors of such other corporation may determine or, in the absence of such determination, by the Chairman of the Board, President or any Vice President of such other corporation or by any other person authorized to do so by the Chairman of the Board, President or any Vice President of such other corporation.

(b) Shares of a corporation owned by its subsidiary shall not be entitled to vote on any matter.

(c) Shares held by the issuing corporation in a fiduciary capacity, and shares of an issuing corporation held in a fiduciary capacity by its subsidiary, shall not be entitled to vote on any matter, except to the extent that the settlor or beneficial owner possesses and exercises a right to vote or to give the corporation binding instructions as to how to vote such shares.

2.10 **Voting by Shares Standing in Joint Names.** If shares stand of record in the names of two (2) or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, voting trustees, persons entitled to vote under a shareholder voting agreement or otherwise, or two (2) or more persons (including proxyholders) have the same fiduciary relationship respecting the same shares, unless the Secretary of the Corporation is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect:

- (a) If only one (1) votes, such act binds all;
- (b) If more than one (1) vote, the act of the majority so voting binds all;
- (c) If more than one (1) votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionately.

If the instrument so filed or the registration of the shares shows that any such tenancy is held in unequal interests, a majority or even split for the purpose of this Section shall be a majority or even split in interest.

2.11 **Proxies.**

(a) Every person entitled to vote shares may authorize another person or persons to act by proxy with respect to such shares.

(b) Every proxy continues in full force and effect until revoked by the person executing it prior to the vote pursuant thereto; provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided in the proxy. Such revocation may be effected by a writing delivered to the Corporation stating that the proxy is revoked or by a subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or as to any meeting by attendance at such meeting and voting in person by the person executing the proxy. The dates contained on the forms of proxy presumptively determines the order of execution, regardless of the postmarked dates on the envelopes in which they are mailed.

(c) A proxy is not revoked by the death or incapacity of the maker unless, before the vote is counted, written notice of such death or incapacity is received by the Corporation.

(d) Except when other provision shall have been made by written agreement between the parties, the recordholder of shares which such person holds as pledgee or otherwise as security or which belong to another shall issue to the Pledgor or to the owner of such shares, upon demand therefor and payment of necessary expenses thereof, a proxy to vote or take other action thereon.

(e) A proxy which states that it is irrevocable is irrevocable for the period specified therein, notwithstanding the death or incapacity of the maker, when it is held by any of the following or a nominee of any of the following:

- (1) A pledgee;
- (2) A person who has purchased or agreed to purchase or holds an option to purchase the shares or a person who has sole a portion of such person's shares in the Corporation to the maker of the proxy;
- (3) A creditor or creditors of the Corporation or the Shareholder who extended or continued credit to the Corporation or the Shareholder in consideration of the proxy if

the proxy states that it was given in consideration of such extension or continuation of credit and the name of the person extending or continuing credit;

(4) A person who has contracted to perform services as an employee of the Corporation, if a proxy is required by the contract of employment and if the proxy states that it was given in consideration of such contract of employment, the name of the employee and the period of employment contracted for;

(5) A person designated by or under a voting agreement or voting trust; or

(6) A beneficiary of a trust with respect to shares held by the trust.

Notwithstanding the period of irrevocability specified, the proxy becomes revocable when the pledge is redeemed, the option or agreement to purchase is terminated or the seller no longer owns any shares of the Corporation or dies, the debt of the Corporation or the Shareholder is paid, the period of employment provided for in the contract of employment has terminated, the voting agreement or voting trust has terminated or the person ceases to be a beneficiary of the trust. In addition, a proxy may be made irrevocable, notwithstanding the death or incapacity of the maker, if it is given to secure the performance of a duty or to protect a title, either legal or equitable, until the happening of events which, by its terms, discharge the obligations secured by it.

(f) A proxy may be revoked, notwithstanding a provision making it irrevocable, by a transferee of shares without knowledge of the existence of the provision unless the existence of the proxy and its irrevocability appears on the certificate representing such shares.

## 2.12 Inspectors of Election.

(a) In advance of any meeting of Shareholders, the Board of Directors may appoint inspectors of election to act at

the meeting and any adjournment thereof. If inspectors of election are not so appointed, or if any persons so appointed fail to appear or refuse to act, the Chairman of any meeting of Shareholders may, and on the request of any Shareholder or a Shareholder's proxy shall, appoint inspectors of election (or persons to replace those who so fail or refuse) at the meeting. The number of inspectors shall be either one (1) or three (3). If appointed at a meeting on the request of one (1) or more Shareholders or proxies, the majority of shares represented in person or by proxy shall determine whether one (1) or three (3) inspectors are to be appointed.

(b) The inspectors of election shall determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum and the authenticity, validity and effect of proxies, receive votes, ballots or consents, hear and determine all challenges and questions in any way arising in connection with the right to vote, count and tabulate all votes or consents, determine when the polls shall close, determine the result and do such acts as may be proper to conduct the election or vote with fairness to all Shareholders.

(c) The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three (3) inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

2.13 **Waivers and Consents.** Actions taken at a meeting of Shareholders, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons

entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of notice of and presence at such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by this division to be included in the notice but not so included, if such objection is expressly made at the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of Shareholders need be specified in any written waiver of notice, consent to the holding of the meeting or approval of the minutes thereof except as provided by Corporations Code Section 601(f).

#### 2.14 Action Without Meeting.

(a) Any action which may be taken at an annual or special meeting of Shareholders may be taken without a meeting and without prior notice if a consent in writing, setting forth the action taken, shall be signed by the Shareholders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) Unless the consents of all Shareholders entitled to vote have been solicited in writing, notice of any Shareholders' approval of (1) a contract or other transaction between the Corporation and one (1) or more of its directors or another corporation, firm or association in which one (1) or more of its directors has a material financial interest pursuant to Corporations Code Section 310, (2) indemnification of an

agent of the Corporation pursuant to Corporations Code Section 317, (3) the principal terms of a reorganization pursuant to Corporations Code Section 1201, and (4) a plan of distribution as part of the winding up of the Corporation pursuant to Corporations Code Section 2007, without a meeting by less than unanimous written consent, shall be given at least ten (10) days before the consummation of the action authorized by such approval.

(c) Prompt notice shall be given of any other corporate action taken by Shareholders without a meeting by less than a unanimous written consent to those Shareholders entitled to vote who have not consented in writing.

(d) Notwithstanding any of the foregoing provisions of this Section, directors may not be elected by written consent except by the unanimous written consent of all shares entitled to vote for the election of directors.

(e) A written consent may be revoked by a writing received by the Corporation prior to the time that written consents of the number of shares required to authorize the proposed action have been filed with the Secretary of the Corporation, but may not be revoked thereafter. Such revocation is effective upon its receipt by the Secretary of the Corporation.

2.15 **Organization of Meetings.** The President, or in the absence of the President, any Vice President shall call the meeting of the Shareholders to order and shall act as Chairman of the meeting. In the absence of the President and all of the Vice Presidents, Shareholders shall appoint a Chairman for such meeting. The Secretary shall act as secretary of all meetings of the Shareholders, but in the absence of the Secretary, the Chairman may appoint any person to act as secretary of the meeting.

**ARTICLE III**  
**BOARD OF DIRECTORS**

3.01 **General Powers.** Subject to the limitations of the Articles of Incorporation, these Bylaws and the laws of the State of California concerning corporate action required to be approved by the Shareholders of the Corporation, the business and affairs of the Corporation shall be managed and its corporate powers shall be exercised by or under the direction of the Board of Directors. The Board of Directors may delegate the management of the day-to-day operation of the business of the Corporation to a management company or other person provided that the business and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board of Directors.

3.02 **Number and Tenure.** The number of directors of the Corporation shall be one (1). Each director shall be elected at the annual meeting of the Shareholders to hold office until the next annual meeting or until the director's successor shall have been elected and qualified. A bylaw changing the number of directors must be approved by the Shareholders as provided in Corporations Code Sections 211 and 212.

3.03 **Meetings.**

(a) The Board of Directors shall hold an organizational meeting immediately following each annual meeting of the Shareholders.

(b) Meetings of the Board of Directors may be held at any place within or without the state which has been designated in the notice of the meeting or, if not stated in the notice, designated by resolution in the Bylaws or by resolution of the Board of Directors. In the absence of such designation, regular meetings shall be held at the principal executive office of the Corporation. Call and notice of all regular meetings of the Board of Directors are hereby dispensed with.

(c) The Chairman of the Board, if the Board chooses to elect a Chairman, shall preside at all meetings of the Board of Directors and exercise and perform such other powers and duties as may be, from time to time, assigned to the Chairman by the Board of Directors.

(d) Meetings of the Board of Directors may be called by the Chairman or the President, any Vice President, the Secretary or by any two (2) directors.

(e) Special meetings of the Board of Directors shall be held upon four (4) days notice by mail, or forty-eight (48) hours notice delivered personally, or by telephone or telegraph.

(f) A notice or waiver of notice need not specify the purpose of any regular or special meeting of the Board of Directors.

(g) Notice of a meeting need not be given to any director who signs a waiver of notice or a 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 notice to such director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(h) Members of the Board of Directors may participate in a meeting through use of conference telephone or similar communications equipment so long as all members participating in such meeting can hear one another. Participation in a meeting pursuant to this subdivision constitutes presence in person at such meeting.

(i) 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 of Directors 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 of Directors. Such action by written

consent shall have the same force and effect as a unanimous vote of such directors.

(j) The provisions of this Section apply also to committees of the Board of Directors and incorporators and action by such committees and incorporators, mutatis mutandis.

3.04 **Quorum.** A majority of the authorized number of directors is a quorum for the transaction of business except to adjourn. Action taken by a majority of the directors present at a meeting held at which a quorum is present is an act of the Board of Directors unless a greater number is required by law or the Articles of Incorporation. A meeting at which a quorum is initially present may continue to transact business despite the withdrawal of directors if any action taken is approved by at least a majority of the required quorum for such a meeting.

3.05 **Vacancies in the Board of Directors.**

(a) A director may resign effective upon giving written notice to the Chairman, the President, the Secretary or the Board of Directors 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.

(b) Vacancies, except those existing as a result of a removal of a director, may be filled by a majority of the directors then in office whether or not less than a quorum, or by a sole remaining director, and each director so elected shall hold office until the next annual meeting and until such director's successor has been elected and qualified.

(c) The Shareholders may elect a director at any time to fill any vacancy not filled by the directors. Any such election by written consent other than to fill a vacancy created by removal requires the consent of a majority of the outstanding shares entitled to vote. Any reduction of the authorized number of directors does not remove any director prior to the expiration of such director's term of office.

### 3.06 Removal of Directors.

(a) Any director may be removed without cause if such removal is approved by a majority of the outstanding shares entitled to vote, but no director may be removed unless the entire Board of Directors is removed when the votes cast against removal would be sufficient to elect such director if voted cumulatively at an election at which the same total number of votes were cast and the entire number of directors authorized at the time of the director's most recent election were then being elected. The remaining directors may elect a successor to complete the unexpired term of the director so removed.

(b) The Board of Directors may declare vacant the office of a director who has been declared of unsound mind by an order of court or if convicted of a felony.

3.07 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

3.08 Executive Committees. The Board of Directors may, by resolution adopted by a majority of the authorized number of directors, designate one (1) or more committees, each consisting of two (2) or more directors, to serve at the pleasure of the Board of Directors. The Board of Directors may designate one (1) or more directors as alternate members of any committee who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the authorized number of directors. Any such committee, to the extent provided in the resolution of the Board of Directors or in the committee, to the extent provided in the resolution of the Board of Directors or

in the Bylaws, shall have all the authority of the Board of Directors except with respect to:

(a) The approval of any action for which this division also requires shareholders' approval or approval by the affirmative vote of a majority of the outstanding shares entitled to vote;

(b) The filling of vacancies on the Board of Directors or in any committee;

(c) The fixing of compensation of the directors for serving on the Board of Directors or on any committee;

(d) The amendment or repeal of Bylaws or the adoption of new Bylaws;

(e) The amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable;

(f) A distribution to the Shareholders of the Corporation except at a rate or in a periodic amount or within a price range determined by the Board of Directors; and

(g) The appointment of other committees of the Board of Directors or the members thereof.

### **3.09 Duties and Liabilities of Directors.**

(a) A director shall perform the duties of a director, including duties as a member of any committee of the Board of Directors upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(b) In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data in each case prepared or presented by:

(1) One (1) or more officers or employees of the Corporation whom the director believes to be reliable and competent in the matters presented;

(2) Counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence; or

(3) A committee of the Board of Directors upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as, in any such case, the director acts in good faith after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

3.10 **Fees and Compensation of Directors.** Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be fixed or determined by resolution of the Board of Directors. This Section 3.10 shall not be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation for those services.

#### **ARTICLE IV**

##### **OFFICERS**

4.01 **Officers.** The officers of the Corporation shall be the President, Secretary and Chief Financial Officer. The Corporation may also have, in the discretion of the Board of Directors, a Chairman of the Board, one (1) or more Vice Presidents, one (1) or more Assistant Secretaries, one (1) or more Assistant Financial Officers and such other officers as may be deemed necessary, may be elected or appointed by the directors. The President shall serve as the Chief Executive Officer. Any number of offices may be held by the same person.

4.02 **Election and Term of Office.** The officers of the Corporation shall be elected annually at the first (1st) meeting of the directors held after each annual meeting of the Shareholders. Each officer shall hold office until a successor is elected and qualified or until death, resignation or removal.

4.03 **Removal.** Any officer may be removed, either with or without cause, on the affirmative vote of a majority of the directors. Removal shall be without prejudice to any contract rights of the officer removed.

4.04 **Resignation.** Any officer may resign at any time by giving written notice to the Board of Directors or to the President or to the Secretary. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.05 **Vacancies.** A vacancy in any office shall be filled by election by the Board of Directors at any time for the unexpired terms of such office.

4.06 **Chief Executive Officer.** Subject to such powers, if any, as may be given by the Board of Directors to the Chairman of the Board, if there be one, the Chief Executive Officer shall be the President of the Corporation and shall have, subject to the control of the Board of Directors, general supervision, direction and control of the business and officers of the Corporation. The Chief Executive Officer shall preside as Chairman of all meetings of the Shareholders and, in the absence of the Chairman of the Board, if there be one, at all meetings of the Board of Directors. The Chief Executive Officer shall be ex officio a member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of

Chief Executive Officer of the Corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws.

4.07 **Vice President**. In the absence or disability of the President, the Vice Presidents, in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice Presidents designated by the Board of Directors, shall perform all the duties of the President and when so acting shall have all the powers of, and be subject to, the restrictions upon the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them by the Board of Directors or the Bylaws, respectively.

4.08 **Secretary**. The Secretary shall keep, or cause to be kept, a book of minutes at the principal executive office, or such other place as the Board of Directors may order, of all actions taken at all meetings of the directors and Shareholders with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of shares present or represented at Shareholders' meetings and the proceedings thereof.

The Secretary shall keep, or cause to be kept, at the principal executive office, or at the office of the Corporation's transfer agent, a share register or duplicate share register, showing the names of the Shareholders and their addresses, the number of each class of shares held by each, the number and date of certificates issued for the same and the number and date of cancellation of every certificate surrendered for cancellation.

The Secretary shall give, or cause to be given, notice of all the meetings of the Shareholders and of the Board of Directors required by the Bylaws or by law to be given and shall keep the seal of the Corporation in safe custody and shall have

such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

4.09 **Chief Financial Officer.** The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, in accordance with sound accounting principles, applied on a basis consistent with prior years and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus and shares. The books of account shall, at all reasonable times, be open to inspection by any director.

The Chief Financial Officer shall deposit monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. The Chief Financial Officer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, shall render to the President and directors, whenever they request it, an account of all transactions and the financial condition of the Corporation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

4.10 **Compensation of Officers.** The salaries of the officers shall be fixed from time to time by the Board of Directors.

## **ARTICLE V**

### **CORPORATE RECORDS AND REPORTS**

#### **5.01 Records.**

(a) The Corporation shall keep adequate and correct books and records of account and shall keep minutes of the proceedings of its Shareholders, Board of Directors and committees of the Board of Directors and shall keep at its principal executive office, or at the office of its transfer agent or registrar, a record of its Shareholders giving the

names and addresses of all Shareholders and the number and class of shares held by each. Such minutes shall be kept in written form. Such other books and records shall be kept either in written form or in any other form capable of being converted into written form.

(b) The original, or a copy, of these Bylaws, as amended to date, shall be kept at the Corporation's principal executive office and shall be open to inspection by the Shareholders at all reasonable times during office hours. If the principal executive office of the Corporation is outside this state and the Corporation has no principal business office in this state, it shall, upon written request of any Shareholder, furnish to such Shareholder a copy of the Bylaws, as amended to date.

5.02 **Inspection by Shareholders.** The share register (including name, address and number of shares held by each shareholder), accounting books and records and minutes of proceedings of the Shareholders, the Board of Directors and committees of the Board of Directors shall be open to inspection and copying by any Shareholder or holder of a voting trust certificate at any time during usual business hours upon written demand on the Corporation for a purpose reasonably related to the holder's interest as a Shareholder or holder of a voting trust certificate. Inspection may be made in person, by agent or by attorney.

5.03 **Inspection by Directors.** Each director 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 of which such person is a director and also of its subsidiary corporations.

5.04 **Waiver of Annual Report.** The annual report of Shareholders referred to in Section 1501(a) of the Corporations

Code is expressly waived, but the Board of Directors may cause to be sent to the Shareholders, not later than one hundred twenty (120) days after the close of the fiscal or calendar year, an annual report in such form as may be deemed appropriate by the Board of Directors.

5.05 **Annual Statement of General Information.** The corporation shall, during the period ending with the last day of the anniversary month of the formation of the corporation in each year, file with the Secretary of State of the State of California, on the prescribed form, a statement setting forth the authorized number of directors, the names and complete business or residence addresses of all incumbent directors, the names and complete business or residence addresses of the chief executive officer, secretary, and chief financial officer, the street address of its principal executive office or principal business office in this state, and the general type of business constituting the principal business activity of the corporation, together with a designation of the agent of the corporation for the purpose of service of process, all in compliance with Section 1502 of the Corporations Code of California.

## **ARTICLE VI**

### **AMENDMENTS TO THE BYLAWS**

6.01 **Bylaws.** Bylaws may be adopted, amended or repealed either by affirmative vote of a majority of the outstanding shares entitled to vote or by the Board of Directors. A Bylaw changing the number of directors must be approved by the Shareholders. Each adopted, amended and repealed Bylaw shall be inserted at the appropriate place in the original or certified copy of the Bylaws kept at the principal executive office of the Corporation and the date of such adoption, amendment and repeal shall be entered therein.

**ARTICLE VII**  
**CERTIFICATES AND TRANSFER OF SHARES**

7.01 **Form.** Certificates representing shares of the Corporation shall be in such form as shall be determined by the Board of Directors. Certificates shall be signed by the Chairman or Vice Chairman of the Board or the President or a Vice President and by the Chief Financial Officer or an Assistant Financial Officer or the Secretary or any Assistant Secretary, certifying the number of shares and the class or series of shares owned by the Shareholders. Any or all signatures on the certificate may be facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before the certificate is issued, it may be issued by the Corporation with the same effect as if the person were an officer, transfer agent or registrar at the date of issue. Each certificate shall also state:

- (a) The name of the record holder of the shares represented by such certificate;
- (b) The number of shares represented thereby;
- (c) A designation of any class or series of which such shares are a part;
- (d) That the shares are without par value;
- (e) Any rights of redemption and the redemption price;
- (f) Any rights of conversion and the essential terms and period for conversion;
- (g) Any liens or restrictions on transfer or on the voting power of such shares;
- (h) That the shares are assessable, if that is the fact;
- (i) That assessments to which the shares are subject are collectible by personal action, if that is the fact;

(j) That the shares are subject to restrictions upon transfer, if that is the fact;

(k) That the shares are subject to a voting agreement under Corporations Code Section 706(a) or an irrevocable proxy under Corporations Code Section 705(c) or restrictions upon voting rights contractually imposed by the Corporation, if these are the facts;

(l) If the shares of the Corporation are classified, or if any class of shares has two (2) or more series, there shall appear on the certificate one of the following:

(1) A statement of the rights, preferences, privileges and restrictions granted to, or imposed upon, each class or series of shares authorized to be issued and upon the holders thereof.

(2) A summary of such rights, preferences, privileges and restrictions with reference to the provisions of the Articles and any certificates of determination establishing the same.

(3) A statement setting forth the office or agency of the Corporation from which Shareholders may obtain, upon written request and without charge, a copy of the statement of such rights, preferences, privileges and restrictions or of such summary.

(m) For any certificates issued for shares prior to the full payment therefor, the total amount of the consideration to be paid, the amount paid, the terms of payments to become due and any restrictions on the transfer of such partly paid shares on the books of the Corporation. Upon the declaration of any dividend on fully paid shares, the Corporation shall declare a dividend upon partly paid shares of the same class but only upon the basis of the percentage of the consideration actually paid thereon;

(n) Any right of the Board of Directors to fix the dividend rights, dividend rate, conversion rights, voting rights, rights in terms of redemption, including sinking fund

provisions, the redemption price or prices or the liquidation preferences of any wholly unissued class or of any wholly unissued series of any class of shares or the number of shares constituting any unissued series of any class of shares or designation of such series or all or any of them.

7.02 **Surrender and Cancellation of Share Certificates.**

(a) When the Articles are amended in any way affecting the statements contained in the certificates for outstanding shares, or it becomes desirable for any reason, in the discretion of the Board, to cancel any outstanding certificate for shares and issue a new certificate therefor conforming to the rights of the holder, the Board may order any holders of outstanding certificates for shares to surrender and exchange them for new certificates within a reasonable time to be fixed by the Board.

(b) The order may provide that a holder of any certificates so ordered to be surrendered is not entitled to vote or to receive dividends or exercise any of the other rights of Shareholders until the holder has complied with the order but such order operates to suspend such rights only after notice and until compliance.

7.03 **Transfer on the Books.** Upon surrender to the Secretary, or transfer agent, of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate and record the transaction upon its share register.

7.04 **Lost or Destroyed Certificates.** Any person claiming a share certificate to be lost or destroyed shall make an affidavit or affirmation of that fact and shall, if the Board so requires, give the Corporation a bond of indemnity in the form and with one (1) or more sureties satisfactory to the Board in

at least double the value of the shares represented by the lost certificate whereupon a new certificate may be issued in the same tenor and for the same number of shares as the one alleged to be lost or destroyed.

**ARTICLE VIII**  
**INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES,**  
**AND OTHER AGENTS**

8.01 **Agents, Proceedings, and Expenses.** For the purposes of this Article, "agent" means any person who is or was a director, officer, employee, or other agent of this Corporation, or is or was serving at the request of this Corporation 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 this Corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under this Article.

8.02 **Actions Other than by the Corporation.** This Corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made party, to any proceeding (other than an action by or in the right of this Corporation to procure a judgment in its favor) by reason of the fact that such person is or was an agent of this Corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if that person acted in good faith and in a manner that the person reasonably believed to be in the best interests of this Corporation 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 an 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 manner that the person reasonably believed to be in the best interests of this Corporation or that the person had reasonable cause to believe that the person's conduct was not unlawful.

8.03 **Actions by or in the Right of the Corporation.** This Corporation shall have the 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 this Corporation to procure a judgment in its favor by reason of the fact that such person is or was an agent of this Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of that action, if such person acted in good faith, in a manner such person believed to be in the best interests of this Corporation and its shareholders, and with such care, including reasonable inquiry, as an ordinarily prudent person would use under similar circumstances. However, the Corporation shall not indemnify:

(a) Any amount paid with respect to any claim, issue, or matter as to which such person has been adjudged to be liable to this Corporation in the performance of such person's duty to the Corporation and its shareholders, unless and only to the extent that the court in which such proceeding is or was pending shall determine on application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for expenses and then only to the extent that the court shall determine;

(b) Amounts paid in settling or otherwise disposing of a pending action without court approval; or

(c) Expenses incurred in defending a pending action that is settled or otherwise disposed of without court approval.

8.04 **Successful Defense by Agent.** If an agent of this Corporation is successful on the merits, the Corporation shall indemnify the agent for expenses actually and reasonably incurred.

8.05 **Required Approval.** Except as provided in Section 8.04 of this Article VIII, any indemnification under this Section shall be made by the Corporation only if authorized in the specific case, on 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 Section 8.02 or 8.03 by one of the following:

(a) A majority vote of a quorum consisting of directors who are not parties to such proceeding;

(b) Independent legal counsel in a written opinion if a quorum of directors who are not parties to such a proceeding is not available;

(c) The affirmative vote of a majority of the outstanding shares of this Corporation entitled to vote and present or represented at a duly held meeting at which a quorum is present;

(d) The written consent of holders of a majority of the outstanding shares entitled to vote (for purposes of this Section 8.05(d), the shares owned by the person to be indemnified shall not be considered outstanding or entitled to vote thereon); or

(e) The court in which the proceeding is or was pending, on application made by this Corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this Corporation.

8.06 **Advance of Expenses.** Expenses incurred or to be incurred in defending any proceeding may be advanced by the Corporation before the final disposition of such proceeding on receipt of an undertaking by or on behalf of the agent to repay such amounts if it shall be determined ultimately that the agent is not entitled to be indemnified as authorized in this Article VIII.

8.07 **Other Contractual Rights.** The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent such additional rights to indemnification are authorized in the articles of the Corporation. The rights of indemnity hereunder shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of the person. Nothing contained in this Article VIII shall affect any right to indemnification to which persons other than such directors and officers may be entitled by contract or otherwise.

8.08 **Limitations.** No indemnification or advance shall be made under this Article VIII, except as provided in Section 8.04, in any circumstances if it appears:

(a) That it would be inconsistent with a provision of the articles, bylaws, a resolution of the directors or shareholders, or an agreement in effect at the time of the accrual of alleged cause of action asserted in the proceeding in which expenses were incurred or their 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 settlement.

8.09 **Insurance.** If the Board of Directors so decides, this Corporation may purchase and maintain insurance on behalf of any agent of the Corporation insuring 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 this Corporation would have the power to indemnify the agent against that liability. Notwithstanding the foregoing, if this Corporation owns all or a portion of the shares of the company issuing the policy of insurance, the insuring company and/or the policy shall meet the conditions set forth in Section 317(i) of the Corporations Code.

8.10 **Fiduciaries of Corporate Employee Benefit Plan.** This Article VIII does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the Corporation. The Corporation shall have the power to indemnify and to purchase and maintain insurance on behalf of any such trustee, investment manager, or other fiduciary of any benefit plan for any or all of the directors, officers, and employees of the Corporation or any of its subsidiary or affiliated corporations.

8.11 **Survival of Rights.** The rights provided by this Article VIII shall continue for a person who has ceased to be an agent, and shall insure to the benefit of the heirs, executors, and administrators of such person.

8.12 **Effect of Amendment.** Any amendment, repeal, or modification of the Article VIII shall not adversely affect an agent's right or protection existing at the time of such amendment, repeal, or modification.

8.13 **Settlement of Claims.** The Corporation shall not be liable to indemnify any agent under this Article VIII for (a) any amounts paid in settlement of any action of claim effected

without the Corporation's written consent, which consent shall not be unreasonably withheld or, (b) any judicial award, if the Corporation was not given a reasonable and timely opportunity to participate, at its expense, in the defense of such action.

8.14 **Subrogation.** In the event of payment under this Article VIII, the Corporation shall be subrogated to the extent of such payment to all of the rights of recovery of the agent, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents as may be necessary to enable the Corporation effectively to bring suit to enforce such rights.

8.15 **No Duplication of Payments.** The Corporation shall not be liable under this Article VIII to make any payment in connection with any claim made against the agent to the extent the agent has otherwise actually received payment, whether under a policy of insurance, agreement, vote, or otherwise, of the amounts otherwise indemnifiable under this Article.

## **ARTICLE IX**

### **MISCELLANEOUS**

9.01 **Construction, Definitions and References.** The general provisions, rules of construction and definitions contained in the General Provisions of the California Corporations Code and in the California General Corporations law shall govern the construction of these Bylaws unless the context requires otherwise. Corporations Code Section references herein refer to the equivalent sections of the General Corporations law effective January 1, 1977, as amended.

9.02 **Corporate Seal.** The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Corporation, the state of incorporation, the date of incorporation and the words "Corporate Seal" or "Incorporated".

**KNOW ALL MEN BY THESE PRESENTS,**

That the undersigned, being the sole person appointed to act as the Board of Directors, does hereby assent to and adopt the foregoing Bylaws of CALCERTS, INC., as and for the Bylaws of this Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand this January 2, 2006.

  
MICHAEL E. BACHAND, Director

**CERTIFICATE OF SECRETARY**

I, the undersigned, do hereby certify:

(1) That I am the duly elected, qualified and acting Secretary of CALCERTS, INC.

(2) That the foregoing Bylaws, consisting of thirty-four (34) pages, constitute the Bylaws of said Corporation as duly adopted at a meeting of the Board of Directors thereof duly held on January 2, 2006.

IN WITNESS WHEREOF, I have hereunto subscribed my name.

Dated: January 2, 2006.

  
MICHAEL E. BACHAND, Secretary