

**BYLAWS
OF
DIAMOND BUSINESS IMPROVEMENT DISTRICT ADVISORY BOARD**

ARTICLE I. NAME AND PURPOSES

Section 1.01 Name. The name of this advisory board of directors is the Diamond Business Improvement District Advisory Board (the “Advisory Board”). The Advisory Board is an unincorporated organization that is formed for the purpose described in Section 1.02 below and is elected by the Members of the Diamond Business Improvement District (“Members”) as described in these Bylaws.

Section 1.02 Purpose. The purpose of the Advisory Board is to serve as an advisory committee of and to the County of San Diego Black Chamber of Commerce, a California nonprofit mutual benefit corporation (the “CSDBCC”) and to carry out the purposes and activities of the Business Improvement District Management Agreement between the CSDBCC and the City of San Diego (the “BID Agreement”) for the Diamond Business Improvement District (the “Diamond BID”).

Section 1.03 Nonprofit Status. The Diamond BID is subject to the nonprofit and tax-exempt status of the CSDBCC, which was formed pursuant to the California Nonprofit Mutual Benefit Corporation Law for the purposes as described in its Articles of Incorporation and Bylaws.

Section 1.04 Anti-Harassment, Non-Discrimination and Inclusion. The programs and activities of the Diamond BID shall comply with the anti-harassment, non-discrimination and inclusion requirements of the BID Agreement and shall be consistent with such policies that may be established and implemented by the Advisory Board in accordance with the BID Agreement under federal, state and local laws.

ARTICLE II. MEMBERS

Section 2.01 Identification of Members. The Members of the Diamond BID shall be the business owners holding a valid and fully paid City of San Diego Business Tax Certificate for the Diamond BID. Newly opened businesses shall immediately qualify as Members upon securing a valid Business Tax Certificate from the City of San Diego that lists a place of business within the Diamond BID. The current Members are identified in **Attachment 1**, which may be amended from time to time to reflect updates in the Diamond BID’s Members. Each Member’s eligibility to vote at a meeting of the Members shall be determined by the current list of Business Tax Certificate holders for the Diamond BID that was most recently published by the City of San Diego prior to the date of the meeting.

Section 2.02 Member’s Representative. Each Member shall appoint one (1) individual to serve as the representative of the Member, who shall have the authority to act on behalf of the Member with respect to the Diamond BID’s activities, including without limitation the authority to vote in the annual election of the Advisory Board. The representative must be an officer, director or employee of the City of San Diego Business Tax Certificate holder. In the absence of an appointed individual to serve as the representative of the Member, the name appearing as the business owner on the current valid Diamond Business Tax Certificate shall be deemed as the representative.

Section 2.03 Associates. The Diamond BID may have Associate Members, who may consist of nonprofits, professionals, stakeholders and other non-Business Tax Certificate holders engaged in the Diamond BID community. Associate Members shall be admitted under the rules determined by the

Advisory Board, which may include the payment of Associate Member dues or fees, and with the rights, which may include the right to vote at meetings of the Members and/or to serve on the Advisory Board.

Section 2.04 Meetings of the Members. The Members shall meet at least annually for the purpose of electing the Advisory Board, and any other actions that require approval of the Members. The annual meeting of the Members is expected to occur in January each year. Meetings of the Members may be called by the Advisory Board, the Board President, or by a majority of the Members.

Section 2.05 Notice of Meetings of the Members. Notice of meetings shall be given to all current Members, as of the date of the notice, and any Associate Members as authorized by the Advisory Board. The notice shall be provided by first class mail addressed to the business appearing on the current valid Diamond Business Tax Certificate, and to any Associate Member's business address at least sixty (60) days before the date of the meeting, or any additional or specific time for notices as may be required by the current BID Agreement. The notice shall state the place, date and time of the meeting, and shall describe the general nature of the business to be transacted at the meeting, including those matters which the Advisory Board intends to present for action by the Members.

Section 2.06 Quorum and Voting. The votes represented at a meeting or by written ballot of the Members shall constitute a quorum. All current Members, as of the date of the meeting, shall be entitled to vote at the meeting or by written ballot. Each Member shall have one (1) vote on each matter submitted for a vote of the Members, and the vote shall be conducted via the Member's designated representative. A Member cannot vote by proxy given to another Member or absentee voting, and there shall be no cumulative or weighted voting. The affirmative vote of the majority of the Members present at the meeting and by written ballot received shall constitute an act of the Members. The Members may not take action on any item that was not noticed in accordance with Section 2.05 above.

Section 2.07 Termination of Membership. A Member may resign at any time upon termination of its Diamond Business Tax Certificate, which shall be automatic and effective immediately, or upon submittal of written notice to the Advisory Board and/or the Executive Director of the Diamond BID, which shall be effective immediately unless the notice specifies a later effective date of such resignation.

ARTICLE III. ELECTION OF THE ADVISORY BOARD OF DIRECTORS

Section 3.01 Election Procedures. With the exception of the initial Advisory Board, Directors shall be elected by the vote of a majority of the Members at the annual meeting of the Members (expected to occur in January each year). At all times that the Diamond BID has a valid BID Agreement with the City of San Diego, the election of the Directors shall follow the nomination and election procedures set forth in Sections 3.03 through 3.07 below and such other procedures as required by the BID Agreement, including without limitation providing at least sixty (60) days' notice to Diamond Business Tax Certificate holders, public notification via publication, and conducting a mailed ballot election, if required, and/or an electronic election, if permissible.

Section 3.02 Eligibility. To be eligible to serve on the Advisory Board, a nominee must be a Member or a representative of a Member of the Diamond BID as described in Sections 2.01 and 2.02 above. If the Advisory Board authorizes Associate Members to serve on the Advisory Board, then a nominee may also be an Associate Member as described in Section 2.03 above. Qualifications to serve on the Advisory Board are generally the ability to attend Advisory Board meetings, to serve on one or more committees (to the extent the Diamond BID has one or more committees), a willingness to actively support and promote the Diamond BID, and a dedication to its purpose and mission.

Section 3.03 Nominating Procedures. Candidates for election to the Advisory Board may be nominated in the following ways:

(a) Nominating Committee. Prior to or at its September meeting, the Advisory Board shall establish a Nominating Committee that is comprised of at least three (3) Directors and shall be tasked with seeking candidates to serve on the Advisory Board.

(b) Self-Nomination by Mail. Following the Advisory Board's September meeting and in accordance with the nomination and election timeline established by the Advisory Board, the Secretary shall mail to all current Members the election notice described in Section 3.04 below, that includes a nomination form. All nomination forms returned by mail or otherwise submitted to the Diamond BID shall be accepted, subject solely to verification that the nominee is a current Member or a Member's representative.

(c) Nominations from the Floor (if election is conducted at the annual meeting of the Members). Members shall have the opportunity to nominate themselves from the floor at the annual meeting of the Members, if applicable. Nominees from the floor shall be subject to verification that they are a current Member or a Member's representative.

Section 3.04 Election Method and Schedule. The Advisory Board shall determine at its September meeting each year how the coming election will be conducted – either at the annual meeting of the Members (expected to occur in January each year) or by mail ballot or, if permissible, by electronic ballot. Whichever method is chosen by the Advisory Board, all voting shall be by written secret ballot of the Members. Each eligible Member, as described in Section 2.01 above, shall have one (1) vote, as described in Section 2.06 above. At its September meeting, the Advisory Board shall also approve the nomination and election timeline to achieve the requirements of the current BID Agreement with the City of San Diego. Following the meeting, the Secretary shall mail to all current Members an election notice that includes the requirements for nomination, the nomination procedures and a nomination form, and the nomination and election process and timeline.

Section 3.05 Inspector of Elections. The Advisory Board shall appoint an inspector of elections. The inspector may be an uninterested party or may be a committee comprised of at least three (3) Directors, none of whom are candidates for election.

Section 3.06 Invalid Ballots. Ballots shall be deemed invalid if they contain (a) more votes than vacancies on the Advisory Board that are open for election, (b) more than one vote per candidate, or (c) in the case of a mail-in ballot, are returned to the Diamond BID without sufficient information to verify that the ballot was received from a current Member, such as not including the business name, business address, or Business Tax Certificate number.

Section 3.07 Election Results. Whether by secret ballot at the annual meeting of the Members or by secret mail ballots, the ballots shall be opened and counted publicly at the annual meeting of the Members by the inspector of elections. In the event of a tie, where the number of candidates receiving the same number of votes exceeds the number of available seats, the inspector of elections shall conduct a lottery among the tied candidates to determine the winner.

ARTICLE IV. ADVISORY BOARD OF DIRECTORS

Section 4.01 Powers of the Advisory Board. Subject to the provisions and limitations of the

California Nonprofit Mutual Benefit Corporation Law and any other applicable laws, any limitations of the Articles of Incorporation or Bylaws of the CSDBCC, these Bylaws, and the rights of the Members, the Diamond BID activities shall be conducted and exercised by or under the direction of the Advisory Board. The Advisory Board may delegate the management of such activities to any person(s), management company, or committees, however composed, provided that the Diamond BID's activities and affairs shall be managed and exercised under the ultimate direction of the Advisory Board.

Section 4.02 Number of Directors. The Advisory Board shall consist of a minimum of five (5) and no more than fifteen (15) Directors, with the actual number to be determined from time to time by a resolution of the Advisory Board.

(a) A minimum of five (5) Directors must be a representative from a holder of a valid, current and fully paid City of San Diego Business Tax Certificate for the Diamond BID. Each Business Tax Certificate entity may only have one (1) representative serving on the Advisory Board at a time. However, the representative serving on the Advisory Board on behalf of a Business Tax Certificate entity does not have to be the same individual serving as that entity's Membership representative.

(b) The other seats on the Advisory Board are open for Associate Members, if any.

(c) All Directors shall have full voting rights.

Section 4.03 Term of Office. Each Director shall hold office for a two (2) year term, and until a successor has been elected by the Advisory Board. The terms shall be staggered so that approximately one-half of the Director seats are open for election/re-election at each annual meeting of the Members. A Director may serve for four (4) consecutive terms, and then must wait at least one (1) year before seeking reelection to the Advisory Board. This term limit may be waived by the Advisory Board if there are an insufficient number of candidates to fill the open seats on the Advisory Board.

Section 4.04 Vacancies. A vacancy on the Advisory Board shall be deemed to exist if a Director dies, resigns, is removed, or if the authorized number of Directors is increased. The Advisory Board may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, convicted of a felony, or found by a final order or judgment of any court to have breached any duty arising under Article 3 of Chapter 2 of the California Nonprofit Mutual Benefit Corporation Law. Vacancies on the Advisory Board shall be filled by a two-thirds (2/3) majority vote of the Advisory Board. Each Director so elected shall hold office until the next election of the Advisory Board by the Members as described in Article III above, or until the Director's death, resignation or removal from office.

Section 4.05 Removal. A Director may be removed for cause by a majority vote of the Advisory Board at a special meeting called for that purpose in accordance with Section 4.11, or at a regular meeting in accordance with Section 4.10. Cause for removal shall include a Director failing to attend three (3) consecutive meetings of the Advisory Board or twenty-five percent (25%) of the meetings of the Advisory Board within a calendar year, failure to serve on and attend the meetings of at least one (1) committee (to the extent the Diamond BID has one or more committees), or a Director's failure to timely comply with the Advisory Board training requirements set forth in the BID Agreement with the City of San Diego, if any. Any vacancy caused by the removal of a Director must be approved by the Members of the Diamond BID in accordance Section 7222(a) of the California Nonprofit Mutual Benefit Corporation Law, and shall be filled as provided in Section 4.04 above.

Section 4.06 Resignation. Subject to the provisions of Section 7224 of the California Nonprofit

Mutual Benefit Corporation Law, any Director may resign effective upon giving written notice to the Board President, the Secretary, or the Advisory Board as a whole, unless the notice specifies a future time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected before then to take office when the resignation becomes effective. Any vacancy caused by such resignation shall be filled as provided in Section 4.04. No Director may resign when the Diamond BID would then be left without at least one (1) Director in charge of its affairs.

Section 4.07 Compliance with Brown Act. At all times that the Diamond BID has a valid BID Agreement with the City of San Diego, meetings of the Advisory Board with respect to such agreement, or related to the activities, assessments or grant funds under such agreement, shall be called, held, and conducted in accordance with the terms and provisions of the Ralph M. Brown Act (Government Code Sections 54950, *et seq.*) (“Brown Act”).

Section 4.08 Place of Meetings of the Advisory Board. Meetings of the Advisory Board may be held within the Diamond BID community at a place that has been designated in the notice of the meeting, or if there is no notice, at such place as has been designated from time to time by resolution of the Advisory Board.

Section 4.09 Annual Meetings of the Advisory Board. The Advisory Board shall meet annually for the purpose of organization, the approval of the current Members, the election of officers, approving the regular meeting schedule, and the transaction of such other business as may properly be brought before the meeting.

Section 4.10 Regular Meetings of the Advisory Board. The Advisory Board shall hold regular meetings, which along with the annual meetings, shall be at such times and places as may from time to time be fixed by the Advisory Board. At all times that the Diamond BID has a valid BID Agreement with the City of San Diego, regular meetings of the Advisory Board related to such agreement, or related to the activities, assessments or grant funds under such agreement, shall be called, held and conducted in accordance with the Brown Act, including that agendas for such meetings will be posted seventy-two (72) hours prior to the meeting in a location that is freely accessible to members of the public and on the Diamond BID’s website, and the meeting shall be held in locations and in a manner consistent with the Brown Act. The notice shall contain a brief general description of each item of business to be transacted or discussed at the meeting.

Section 4.11 Special Meetings. Special meetings of the Advisory Board for any purpose may be called at any time by the Board President, the Secretary, any two Directors, or the Executive Director. Notice of the time and place of special meetings shall be delivered to each Director personally or by telephone or email, shall be provided at least twenty-four (24) hours prior to the meeting, and shall contain a brief general description of each item of business to be transacted or discussed at the meeting. At all times that the Diamond BID has a valid BID Agreement with the City of San Diego, notice of special meetings related to such agreement, or related to the activities, assessments or grant funds under such agreement, shall also be posted twenty-four (24) hours prior to the meeting in a location that is freely accessible to members of the public and on the Diamond BID’s website, and the meeting shall be held in locations and in a manner consistent with the Brown Act.

Section 4.12 Quorum. A majority of the actual number of Directors then in office shall constitute a quorum. Every action taken or decision made by a majority of the Directors present at a meeting duly held at which a quorum is present is an act of the Advisory Board, subject to the more

stringent provisions of the California Nonprofit Mutual Benefit Corporation Law in instances, including without limitation, regarding (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directors, (c) creation of and appointments to committees of the Advisory Board, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, but no action can be taken unless and until a quorum is restored. Directors may not vote by proxy.

Section 4.13 Participation by Teleconference; Electronic Meetings. Directors may participate in a meeting of the Advisory Board through the use of teleconference telephone, electronic video communication, or similar communications equipment, so long as each Director participating in such meeting can communicate with all of the other Directors concurrently and is provided the means of participating in all matters before the Advisory Board.

At all times that the Diamond BID has a valid BID Agreement with the City of San Diego, a meeting that is related to such agreement, or related to the activities, assessments or grant funds under such agreement, and in which a Director will participate by teleconference must be noticed and conducted in compliance with Section 54953(b) of the Brown Act, including without limitation the following:

- (a) At least a quorum of the Advisory Board shall participate in the teleconference meeting from locations within the Diamond BID's jurisdiction (in compliance with the Brown Act);
- (b) All votes taken during a teleconference meeting shall be by roll call;
- (c) Agendas shall be posted at all teleconference locations, with each location identified in the notice and agenda of the meeting;
- (d) All locations where a Director participates via teleconference must be fully accessible to members of the public and shall be listed on the agenda;
- (e) Members of the public must be able to hear what is said during the meeting and shall be provided with an opportunity to address the Advisory Board directly at each teleconference location; and
- (f) Members of the public attending a meeting conducted via teleconference need not give their name when entering the conference call.

As an alternative to the requirements of Section 54953(b) of the Brown Act described above, the Diamond BID may also provide for a Director to participate by teleconference in an Advisory Board meeting related to the BID Agreement pursuant to Section 54953(f), if applicable.

Section 4.14 Waiver of Notice. Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting the lack of notice to such Director prior thereto or at its commencement. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 4.15 Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Advisory Board 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.

Section 4.16 Action Without Meeting. The Advisory Board may take action without a meeting with respect to activities that are not related to the BID Agreement, so long as all Directors individually or collectively consent in writing to such action. Such written consent(s) shall have the same effect as a unanimous vote of the Advisory Board and shall be filed with the minutes of the proceedings of the Advisory Board. For purposes of this section only, the phrase “all Directors” shall not include any “interested persons” as defined in Section 4.18 below.

Section 4.17 Fees and Compensation. Directors shall serve without compensation for their service. The Advisory Board may approve the reimbursement of a Director’s actual and necessary expenses incurred when conducting the Diamond BID’s business. Subject to Section 4.18 below and the California Nonprofit Mutual Benefit Corporation Law, nothing herein shall preclude a Director from serving the Diamond BID in any other capacity, including, but not limited to, as an officer, agent, or employee of the Diamond BID, and receiving compensation for such service.

Section 4.18 Standard of Care.

(a) A Director shall perform the duties of a Director, including duties as a member of any committee of the Advisory Board on which the Director may serve, in good faith, in a manner such Director believes to be in the Diamond BID’s best interests and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation 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: (i) one or more of the Diamond BID’s officers or employees whom the Director believes to be reliable and competent in the matters presented; (ii) legal counsel, independent accountants, or other persons as to matters that the Director believes to be within such person’s professional or expert competence; or (iii) a committee of the Advisory Board 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.

Section 4.19 Non-Liability of Directors. No Director shall be personally liable for the Diamond BID’s debts, liabilities, or other obligations.

Section 4.20 Common Directorships. Pursuant to Section 7233 of the California Nonprofit Mutual Benefit Corporation Law, the Diamond BID shall not be a party to a transaction with another corporation, firm or association in which one or more of its Directors is also a director (an “Overlapping Director”) unless, (1) prior to entering into the transaction, the material facts of the transaction and the Overlapping Director’s other director position are fully disclosed or known to the Advisory Board and the Advisory Board authorizes, approves or ratifies the contract or transaction in good faith by a sufficient vote without counting the vote of the Overlapping Director, or (2) the contract or transaction is just and reasonable to the Diamond BID at the time it is authorized, approved or ratified. This provision does not apply to transactions covered by Section 7233(a) of the California Nonprofit Mutual Benefit Corporation Law.

Section 4.21 Executive Compensation Review. In any year in which the Diamond BID is legally required to do so pursuant to Section 7213 of the California Nonprofit Mutual Benefit Corporation Law, the Advisory Board (or an Advisory Board Committee) shall review any compensation packages (including all benefits) of the Executive Director and Chief Financial Officer, regardless of job title, and shall approve such compensation only after determining that the compensation is just and reasonable. This review and approval shall occur when such officer is hired, when the term of employment of such officer is renewed or extended, and when the compensation of such officer is modified, unless the modification applies to substantially all of the employees of the Diamond BID.

ARTICLE V. OFFICERS

Section 5.01 Required Officers. The Diamond BID shall have at a minimum: (a) a Board President; (b) a Secretary; and (c) a Treasurer. The Board President serves as the Chair of the Advisory Board, and also as the Executive Director of the Diamond BID unless the Advisory Board (or the CSDBCC on behalf of the Advisory Board) elects or hires a separate Executive Director for the Diamond BID. Any number of offices may be held by the same person, except that the Secretary or the Treasurer may not serve concurrently as the Board President or Executive Director.

Section 5.02 Permitted Officers. The Advisory Board may elect one or more Vice Presidents, or Vice Chairpersons, and such other officers as the business of the Diamond BID may require, each of whom shall be elected to hold office, have such authority and perform such duties as the Advisory Board at its pleasure from time to time may determine.

Section 5.03 Election. Except for initial officers and any officer who may serve by employment contract (e.g., the Executive Director), the officers of the Diamond BID shall be elected annually by the Advisory Board, and each shall serve at the pleasure of the Advisory Board, subject to the rights, if any, of an officer under contract of employment.

Section 5.04 Removal. Any officer may be removed, with or without cause, by the Advisory Board at any time or, in the case of an officer appointed by another officer, the person with authority to appoint shall also have the power of removal. Any removal shall be without prejudice to the rights, if any, of an officer under any contract of employment.

Section 5.05 Resignation. Any officer may resign at any time by giving written notice to the Advisory Board. Any such resignation shall take effect upon receipt of that notice or at any later time specified by that notice and, unless otherwise specified in that notice, the acceptance of such resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Diamond BID under any contract to which the officer is a party.

Section 5.06 Vacancies. A vacancy in any office for any reason shall be filled in the same manner as these Bylaws provide for election to that office, provided that such vacancies shall be filled as they occur.

Section 5.07 Executive Director. The Executive Director shall serve as the general manager and chief executive officer of the Diamond BID, and, subject to the control of the Advisory Board, the supervision of the CSDBCC and its governing board, and the Executive Director's contract of employment (if applicable), shall generally supervise, direct, and control the activities, affairs, and employees of the Diamond BID; and shall see that all resolutions of the Advisory Board are carried into effect, and shall perform any and all other duties assigned by the Advisory Board, the CSDBCC and its governing board,

these Bylaws, or his or her employment contract (if applicable). The Executive Director position is an administrative role and therefore is not a voting member of the Advisory Board (unless the person serving as the Executive Director has been elected to the Advisory Board by the Members of the Diamond BID). The Diamond BID may also choose to use the title Chief Executive Officer or another similar name when referring to the Executive Director title and position.

Section 5.08 Board President. The Advisory Board shall elect one Director to serve as Board President (who may be referred to as the Board Chair or Chairperson). The Board President shall preside as the Chairperson at Advisory Board meetings and shall exercise and perform such other powers and duties as the Advisory Board may assign from time to time. The Board President shall serve as the Executive Director of the Diamond BID unless the Advisory Board elects or hires a separate Executive Director.

Section 5.09 Vice President. The Vice President or Vice Presidents, if any, shall fill-in to serve and perform the duties of the Board President when the current Board President is absent or not available. When so acting, the Vice President(s) shall have all the powers of and be subject to all restrictions on the Board President. The Vice President(s) shall also exercise and perform such other powers and duties as the Advisory Board may assign from time to time.

Section 5.10 Secretary. The Secretary shall supervise the keeping of a full and complete record of the proceedings of the Advisory Board and its committees, shall supervise the giving of such notices as may be proper and necessary, shall supervise the keeping of the minute books of the Diamond BID, and shall have such other powers and duties as may be prescribed by the Advisory Board or these Bylaws.

Section 5.11 Treasurer. The Treasurer shall be the liaison between the Advisory Board, the Diamond BID staff, and the CSDBCC and its staff, regarding financial matters involving the Diamond BID, including without limitation to supervise and support with budgets, fundraising, financial reports and other projects of the Diamond BID. The Treasurer shall supervise and support with the use and deposit of the Diamond BID's funds, assets, property and business transactions, and with reports and accounting presented to the Advisory Board, and shall have such other powers and duties as may be prescribed by the Advisory Board or these Bylaws.

Section 5.12 Compensation of Officers. The salaries of officers, if any, shall be fixed from time to time by resolution of the Advisory Board, or in the case subordinate officers appointed by the Executive Director, the Executive Director shall also have the authority to fix such officers' salaries, if any. In all cases, any salaries received by officers of the Diamond BID shall be fair and reasonable and given in return for services actually rendered for the Diamond BID which relate to the performance of the nonprofit purposes of the Diamond BID, and subject to Section 4.21 above, as applicable.

ARTICLE VI. COMMITTEES

Section 6.01 Advisory Board Committees. The Advisory Board may create one or more committees, each consisting of two (2) or more Directors to serve at the pleasure of the Advisory Board, and may delegate to such committee any of the authority of the Advisory Board, except with respect to:

- (a) Final action on any matter that, by law, requires approval of all of the Directors or a majority of all of the Directors;
- (b) The approval of any action that, by law, requires approval of the Members or a

majority of all of the Members;

(c) The filling of vacancies on the Advisory Board or on any committee which has the authority of the Advisory Board;

(d) The fixing of compensation, if any, of the Directors for serving on the Advisory Board or on any committee;

(e) The amendment or repeal of the Diamond BID's Bylaws or the adoption of new Bylaws;

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

(g) The appointment of other committees having the authority of the Advisory Board;

(h) The expenditure of corporate funds to support a nominee for Director; or

(i) With respect to any assets held in charitable trust, the approval of any self-dealing transaction as such transactions are defined in Section 5233(a) of the California Nonprofit Public Benefit Corporation Law, except as permitted under Section 5233(d)(3).

Committees must be created, and the members thereof appointed, by resolution adopted by a majority of the number of Directors then in office. The Advisory Board may appoint, in the same manner, alternate members to a committee who may replace any absent member at a committee meeting.

Section 6.02 Meetings and Action of Advisory Board Committees. Meetings and actions of Advisory Board committees shall be governed generally by, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Advisory Board, except that special meetings of committees may also be called by resolution of the Advisory Board. The Advisory Board may prescribe the manner in which proceedings of any such committee shall be conducted, so long as such rules are consistent with these Bylaws. In the absence of any such rules by the Advisory Board, each committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Minutes shall be kept of each meeting of each committee and shall be filed with the corporate records.

Section 6.03 Revocation of Delegated Authority to Advisory Board Committees. The Advisory Board may, at any time, revoke or modify any or all of the authority so delegated to a committee, increase or decrease, but not below two (2), the numbers of its members, and may fill vacancies therein from the members of the Advisory Board.

Section 6.04 Advisory Committees. The Advisory Board, or the Board President, may establish one or more Advisory Committees to the Advisory Board, and shall appoint the Chair of the committee. If a Director is on the Advisory Committee, he or she shall be the Chair of the committee. The members of any Advisory Committee may consist of directors or non-directors and may be appointed as the Advisory Board determines.

(a) Advisory Committees may be standing or special, permanent or temporary, but cannot exercise the authority of the Advisory Board to make decisions on behalf of the Diamond BID.

Advisory Committees shall be restricted to making recommendations to the Advisory Board or Advisory Board Committees, and implementing Advisory Board or Advisory Board Committee decisions and policies under the supervision and control of the Advisory Board or Advisory Board Committee.

(b) Meetings of an Advisory Committee may be called by the Board President, the Executive Director, the Chair of the committee or a majority of the committee members. Each Advisory Committee shall meet as often as is necessary to perform its duties. Notice of a meeting of an Advisory Committee may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meeting. A majority of the committee members shall constitute a quorum for the transaction of business at any meeting of the committee, and a committee may take action by majority vote. Each Advisory Committee may keep minutes of its proceedings and shall report periodically to the Advisory Board.

(c) Members of an Advisory Committee shall serve until resignation or removal. Any member of a committee may resign at any time by giving written notice to the Board President or the Executive Director. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice. The Board President or the Advisory Board may remove any member of an Advisory Committee, and shall appoint a member to fill a vacancy in any committee or any position created by an increase in the membership.

ARTICLE VII. INDEMNIFICATION AND INSURANCE

Section 7.01 Indemnification. To the fullest extent permitted by law, the Diamond BID shall indemnify its Directors, officers, employees, and other persons described in Corporations Code Section 7237(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the Diamond BID by reason of the fact that the person is or was a person described in that section. "Expenses" shall have the same meaning herein as in Section 7237(a) of the Corporations Code. On written request to the Advisory Board by any person seeking indemnification under Corporations Code Section 7237(b) or Section 7237(c), the Advisory Board shall promptly decide under Corporations Code Section 7237(e) whether the applicable standard of conduct set forth in Corporations Code Section 7237(b) or Section 7237(c) has been met and, if so, the Advisory Board shall authorize indemnification.

Section 7.02 Other Indemnification. No provision made by the Diamond BID to indemnify its Directors or officers for the defense of any proceeding, whether contained in the Articles of Incorporation or Bylaws of the CSDBCC, these Bylaws, a resolution of the Directors or the governing board of the CSDBCC, an agreement, or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article VII shall affect any right to indemnification to which persons other than such Directors and officers may be entitled by contract or otherwise.

Section 7.03 Insurance. The Diamond BID may purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising from the officer's, Director's, employee's, or agent's status as such.

ARTICLE VIII. OTHER PROVISIONS

Section 8.01 Maintenance of Records. The Diamond BID shall keep (a) adequate and correct

books and records of account; (b) written minutes of the proceedings of the Advisory Board and committees of the Advisory Board; (c) the original or a copy of its Bylaws, as amended to date; and (d) such reports and records as required by law. All such records shall be kept at the Diamond BID's principal office.

Section 8.02 Inspection. Every Director shall have the right at any reasonable time, and from time to time, to inspect all books, records, and documents of every kind and the physical properties of the Diamond BID, subject to applicable law. Such inspection by a Director may be made in person or by agent or attorney and the right of inspection includes the right to copy and make extracts.

Section 8.03 Reports and Audits. At all times that the Diamond BID has a valid BID Agreement with the City of San Diego, the Diamond BID shall complete such annual budgets, reports and audits as required by the BID Agreement.

Section 8.04 Public Inspection. At all times that the Diamond BID has a valid BID Agreement with the City of San Diego, the Diamond BID shall maintain all records described in the BID Agreement and make such records available for public inspection in accordance with the California Public Records Act and the BID Agreement.

Section 8.05 Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws.

Section 8.06 Fiscal Year. The fiscal year of the Diamond BID shall end on June 30 each year.

ARTICLE IX. AMENDMENTS

Section 9.01 Bylaw Amendments. These Bylaws will be reviewed periodically by the Advisory Board, or at such other interval as may be required by the Diamond BID's BID Agreement with the City of San Diego. The Advisory Board may adopt, amend, or repeal these Bylaws unless doing so would be a prohibited amendment under the California Corporations Code or the BID Agreement with the City of San Diego. Any amendment to these Bylaws will require a majority vote of the Directors then in office, and is subject to the approval by a majority of the Members.

Section 9.02 Effective Date. These Bylaws and any amendments to these Bylaws shall be effective immediately upon their adoption.

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CERTIFICATE OF ADOPTION

I certify that I am the Secretary of the Diamond Business Improvement District Advisory Board, an advisory committee to the County of San Diego Black Chamber of Commerce, a California nonprofit public benefit corporation, and that the foregoing Bylaws of such corporation were duly adopted by the Diamond Business Improvement District Advisory Board on August 12, 2025.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the corporation to this certificate on _____, 2025.

Secretary, Diamond Business Improvement District
Advisory Board

Attachment 1
List of Current Members

In accordance with Section 2.01 of the Bylaws of the Diamond Business Improvement District Advisory Board, the current list of Members of the Diamond Business Improvement District Advisory Board, which may be amended from time to time, is attached hereto.