

ARTICLE IV

Board of Directors

Sect. 1 Number

The corporate affairs of RIE® shall be vested in and conducted by a Board of Directors consisting of at least nine (9) and not more than fifteen (15) Directors, ~~the exact number of Directors to be fixed from time to time, within the limits specified in this Bylaw, by resolution of the Board.~~ The Directors shall be nominated and elected as Directors, by the approval of the Voting Members. The Chief Executive Officer (aka the "Executive Director") of RIE® is the only employee that may sit on the Board.

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Sect. 2 Terms of Board Memberships

Directors shall be elected ~~at the annual meeting of the Voting Members~~ to serve for a term of two years. ~~Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that Director's earlier resignation or removal in accordance with these Bylaws and California Nonprofit Corporation Law.~~ The terms shall be staggered so that one-half of the Board of Directors is elected each year. ~~Directors may be elected for a maximum of four (4) terms in total.~~

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Sect. 3 Removal of Directors

The Board of Directors may declare vacant the office of any director who has been declared of unsound mind by final order of court, or convicted of a felony, or been found by final order of judgment of any court to have breached any corporate duty or responsibility. The Board may remove from office any director who fails to attend three consecutive meetings of the Board or who fails, during any calendar year, to attend a majority of the meetings of the Board or of the meetings of an assigned committee, unless the director requests a leave of absence for a defined period of time (not to exceed one (1) year) and the leave is approved by the Executive Committee of the Board of Directors. If any such leave is granted, then, for the duration of such approved leave, the number of board members will be reduced by one (1) in determining whether a quorum is present but shall not be reduced for purposes of determining the number of members of the Board pursuant to Section 1 of Article IV of these By-Laws. The affirmative vote of two-thirds (2/3) of the directors of the Board who are then in office shall be necessary to remove a director from office without cause. ~~No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires unless the reduction also provides for the removal of that specified Director in accordance with these Bylaws and California Nonprofit Corporation Law.~~

Sect. 4 Vacancies Filled by Board

~~a. A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) whenever the number of authorized Directors is increased; or (iii) the failure, at any meeting at which any Director or Directors are to be elected, to elect the full authorized number of Directors.~~

b. Any vacancy on the Board, including a vacancy created by the removal of a Director, may be filled by the Board electing an additional director as soon as practicable after the vacancy occurs. If the number of directors then in office is less than a quorum, additional directors may be elected to fill such vacancies by (1) the unanimous written consent of the directors then in office, (2) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code §5211, or (3) a sole remaining director. Any director so appointed to fill a vacancy shall serve for the remainder of the term of the vacated director.

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Sect. 5 Duties and Powers

The policies of RIE® shall be established by the Board. The business affairs of RIE® shall be managed by its Board of Directors. It shall carry out the purpose and goals of RIE®, including but not limited to the following:

- a. Establish necessary committees, authorize necessary studies, and approve all agreements, which are to be part of RIE®'s program.
- b. Recommend amendments to the Bylaws of RIE®.
- c. Approve all budgets and proposals for funding.
- d. Be responsible for the staff's preparation of an annual report for approval by the Voting Membership at its annual meeting.
- e. Fill any vacancies occurring on the Board, such persons to serve until the next annual meeting of RIE®.
- f. Portions of these duties may be delegated to the Executive Committee.

Sect. 6 Meetings

- a. Regular meetings of the Board of Directors shall occur four times a year. Written notice of regular meetings shall be mailed to members of the Board not less than 10 days prior to such meetings.
- b. Special meetings may be called by the Chair or by 3 members of the Board upon not less than 24 hours notice by mail or telephone.

Sect. 7 Quorum

A quorum for meetings of the Board shall be one-half plus one members of the Board of the current Board members. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be an act of the board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (1) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (2) approval of certain transactions between corporations having common directorships, (3) creation of and appointments to committees of the board, and (4) indemnification of directors. A meeting at

which a quorum is initially present may continue to transact business, despite the withdrawal of some directors from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Sect. 8 Interested Persons as Directors

In accordance with §5227 of the California Nonprofit Public Benefit Corporation Law, no more than 49 percent of the persons serving on the board may be “interested persons.” An interested person is (1) any person compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation.