

BYLAWS OF

Downtown Los Angeles Property Owners Association, Inc.

A California Mutual Benefit Nonprofit Corporation

ARTICLE I

NAME, OFFICE AND PURPOSES

The name of this corporation is Downtown Los Angeles Property Owners Association, Inc. (hereinafter referred to as “the corporation”).

The principal office of the corporation shall be located in the City of Los Angeles, California. The principal office and additional offices may be located in such other places within downtown Los Angeles as may be determined from time to time by the board of directors.

The purposes of the corporation shall be to provide leadership, services and programs to improve the image and economic vitality of the downtown Los Angeles area.

ARTICLE II

DISSOLUTION

This corporation is not organized, nor shall it be operated, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits, or dividends to its directors and is organized solely for nonprofit purposes. No part of the profits or net income of this corporation shall ever inure to the benefit of any director, of officer thereof, or to any individual. Upon the dissolution or winding up of the corporation, after payment of, or provision for payment of, all debts and liabilities of this corporation, the remaining assets shall be distributed

to a nonprofit fund, foundation, or corporation which has established its tax exempt status under section 501(c) of the Internal Revenue Code.

ARTICLE III

MEMBERS AND MEMBERSHIP RIGHTS

Section 1. Members.

All references to members in these Bylaws shall refer to property owners in good standing with the corporation who pay assessments in the Fashion District Property and Business Improvement District (the "FDPBID"). This corporation shall have no members within the meaning of the Nonprofit Corporation Law, and the rights of the members shall be the rights as stated in these Bylaws. The members of the corporation shall include all persons, corporations or other entities who have fully paid all assessments imposed with respect to the FDPBID. Each member which is not an individual person shall, as a condition of good standing, maintain on file with the Secretary of the Corporation a certification identifying one individual who is an officer, director, partner or interest holder (as the case may be) of such member as its designated representative who shall solely be authorized to act on behalf of such member in all matters relating to the corporation, including, without limitation, participation in any meetings or proceedings of the corporation and exercise of any voting privileges of such member; provided, that any other such individual of such member may be designated as an alternate representative of such member in the absence of the primary designated individual. No membership or right arising from membership may be transferred without the transfer of real property within the FDPBID.

Section 2. Standing and Voting Privileges.

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Revised: February 6, 2003 & June 3, 2003 & December 11, 2003

Only members in good standing shall be entitled to participate in the affairs of the corporation and to exercise the voting privileges of a member. A member shall be in good standing only if such member has paid all assessments, as determined by the Secretary of the Corporation from the records of the Los Angeles County Tax Assessor (the "Assessor Records"). Each year, on the 10th business day after the record date (the "Record Date") as determined from time to time by the board of directors, the Secretary of the Corporation, shall certify to the board of directors the names and addresses of all members in good standing and the amount paid by each such member with respect to the members' FDPBID assessments for such year (the "Membership List"). Each member shall be ranked according to the amount of total assessments paid by the member into the FDPBID, less monies that are directly transferred to another organization. Voting privileges shall be apportioned for each year to the members proportionally in accordance with the dollar amounts of their respective assessments as determined by the Assessor Records, less monies that are directly transferred to another organization, so that each member in good standing shall be entitled to cast one vote for each dollar of his, her or its FDPBID assessment, less monies that are directly transferred to another organization.

Section 3. Membership Rights.

Each Member in good standing shall have the following rights:

- i. The right to run for the office of director and to vote in the election of the directors of the corporation Pursuant to Article IV, Sections 2-4;
- ii. The right to call and participate in meetings of members pursuant to Article III, Section 4;
- iii. The right to inspect the membership record of the corporation pursuant to Article IX, Section 1;

- iv. The right to inspect the Articles and Bylaws of the corporation pursuant to Article IX, Section 2; and
- v. The right to inspect the minutes and accounting records of the corporation pursuant to Article IX, Section 3.

This bylaw provision setting forth membership rights may not be amended except on a vote of a majority of the members in accordance with Article III, Section 4.

Section 4. Meetings of Members.

No regular meetings of the members of the corporation are required. However, special meetings of the members for any lawful purpose may be called by the board of directors, or by a member or group of members in good standing who represent ten percent of the members and ten percent or more of the assessments paid into the FDPBID. Special meetings of the members shall be held within the boundaries of the FDPBID.

If a special meeting is called by a member or group of members, the member or members calling the meeting shall make a request in writing, delivered personally or sent by registered mail or by facsimile transmission, to the chair of the board or president, vice president, or secretary, specifying the time and date of the meeting (which is not less than 35 nor more than 60 days after receipt of the request) and the general nature of the business proposed to be transacted at the special meeting. Within 20 days after receipt, the officer receiving the request shall cause notice to be given to the members entitled to vote, stating that a meeting shall be held at the time requested by the member or members calling the meeting, and stating the general nature of the business proposed to be transacted. If notice is not given within 20 days after receipt of the request, the member or members requesting the meeting may give the notice.

Nothing contained in this paragraph shall be construed as limiting, fixing, or affecting the time when a meeting of members called by action of the board may be held.

All notices of meetings of members shall be sent or otherwise given to members in good standing not fewer than 10 nor more than 60 days before the date of the meeting. The notice shall specify the place, date, and hour of the meeting, the general nature of the business to be transacted, and shall indicate which members called the meeting or if the meeting was called by the board of directors. Notice of any members' meeting shall be given either personally or by first-class mail or by facsimile, charges prepaid, addressed to the member at the address appearing on the corporation's books or given by the member to the corporation for purposes of notice.

The presence in person or by proxy of the members representing a majority of the assessments paid in to the FDPBID shall constitute a quorum for the transaction of business. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than adjournment) is approved by a least a majority of the required quorum.

The members entitled to vote at any meeting of the members shall be determined in accordance with Article III, Section 2. The manner of the election of directors of the corporation shall be in accordance with Article IV, Section 4. On any matter other than the election of directors, the members' vote may be by voice vote or by ballot. Any action which may be taken by members may be taken by written vote of the members, to the extent allowed under the Ralph M. Brown Act as determined by the City Attorney of the City of Los Angeles.

In the event a written vote of the members is to be taken, ballots shall be mailed to all members and any such action shall be approved by a vote of the majority of all members.

Each member may cast all or part of his, her or its votes (as determined pursuant to Article III, Section 2) to vote in favor of a proposal and refrain from casting the remaining votes or cast them against a proposal, but, if a member fails to specify the number of votes the member is casting affirmatively, it will be conclusively presumed that the member's approving vote is with respect to all votes the member is entitled to cast. If a quorum is present, the affirmative vote of a majority of the assessments represented and voting shall be the act of the members.

Proxy voting and the proxy provisions set forth in these bylaws shall only be allowed or applicable if the City Attorney of the City of Los Angeles determines that proxy voting is permitted under the Ralph M. Brown Act. If determined to be permitted, proxy voting shall be subject to the procedures set forth below.

Every member entitled to vote on any matter shall have the right to do so either in person or by one or more agents authorized by a written proxy. The written proxy must be signed by the person and certified by the authorized agent under penalty of perjury that the proxy has been validly obtained. The signed proxy and the authorized agent's certification must be filed with the secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or the member's attorney in fact. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the corporation stating that the proxy is revoked, or by attendance at the meeting and voting in

person by the person executing the proxy or by a subsequent proxy executed by the same person and presented at the meeting; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the corporation before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of 60 days from the date of the proxy.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers.

Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law, the Ralph M. Brown Act, the California Public Records Act and any other applicable laws, and subject to any limitations of the Articles of Incorporation or Bylaws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the board.

Section 2. Number, Tenure and Qualifications.

The corporation shall have fifteen (15) directors who are not related. The term "related" shall mean: (1) persons related by blood as follows: parent, child, brother, sister; (2) persons related by marriage as follows: husband, wife, brother-in-law, sister-in-law, father-in-law, mother-in-law, son-in-law, daughter-in-law; and (3) persons, corporations or other entities, that share any ownership interest in one or more members. The board shall be elected pursuant to the nomination and election process described below. Directors shall assume office in January. The authorized number of directors may be changed only by a vote of the members of the corporation pursuant to Article III, Section 4.

Prior to the term commencing January 1, 2004, eight of the fifteen positions for the board of directors of the corporation shall be subject to election, the first 5 of which will be

for 3 year terms commencing on January 1, 2004, and next 3 of which will be for 2 year terms commencing on January 1, 2004 (with the candidates receiving the most votes receiving each position in succession). Prior to the term commencing on January 1, 2005, the remaining seven positions of the board of directors of the corporation shall be subject to election, the first 5 of which will be for 3 year terms commencing on January 1, 2005, and the next 2 of which will be for 1 year terms commencing on January 1, 2005 (with the candidates receiving the most votes receiving each position in succession). All directors will be elected from a slate of qualified persons in accordance with these bylaws, with each of the current directors having the right to run in the first two elections (i.e., for the terms that would commence January 1, 2004 and January 1, 2005), notwithstanding the term limit provisions of this Section. In the event there are an insufficient number of persons running for election, any remaining board positions shall be appointed by the board of directors for a term not to exceed one year. Any appointed position on the board of directors shall be subject to election at the next regular election of the board of directors.

All elected directors' terms shall be for three (3) years ending December 31. Terms shall be staggered to ensure that 1/3 of the board's terms shall expire each year. Directors are limited to standing for election to no more than two (2) consecutive three-year terms or serving a total of seven (7) consecutive years. A director who is termed out after two (2) terms shall wait out one (1) year before becoming eligible again for nomination to the board of directors. This amendment takes effect January 1, 2003. All directors in their second consecutive term in 2003 shall be termed out at the end of their current terms.

The board may accept a resignation prior to filling that vacancy with a successor. The board of directors may remove a director of the corporation with or without cause with a

minimum of ten (10) directors voting for removal. In addition to any other notice requirements pursuant to the Ralph M. Brown Act, and any other notice requirements in these Bylaws, the proposed removal shall be noticed at least three (3) business days prior to the vote on removal.

All directors shall be property owners or property owner representatives who represent a property ownership entity that is assessed within the FDPBID. There shall be no proxies and no alternates.

Section 3. Nomination of Directors

Each candidate for the office of director of the corporation: (1) shall be a member in good standing with all assessments paid in full, or the representative of member in good standing with all assessments paid in full; (2) shall not have been convicted of a felony or judged to be mentally incompetent; (3) shall confirm that there is no impediment to his or her ability to attend and participate in the required number of meetings of the board and committees of the board is eligible to be placed on the ballot for the election of directors; (4) shall not be a director currently serving his or her second consecutive term except as set forth in Article IV, Section 2; (5) shall not be related as set forth in Article IV, Section 2, to any director whose term will continue during the term for which the candidate is seeking office; (6) shall not be related as set forth in Article IV, Section 2, to any candidate who has earlier complied with the election procedures as set forth in this Section; and (7) shall prepare a short biographical profile, not to exceed one page, to be included with the ballot materials in the election of directors. The Election Committee shall exist to determine whether or not a potential candidate meets the foregoing criteria to hold office as a director of the corporation, and to assist the board of directors from time to time in establishing written procedures which may be necessary for the

efficient operation of elections, but which are not inconsistent with these bylaws and which will not restrict or inhibit a Members' right to run in the election of directors. In addition, the Election Committee shall seek to encourage nominations and ensure that a sufficient number of members run for open board positions. All candidates meeting the foregoing criteria shall be placed on the ballot.

Section 4. Election of Directors

This corporation shall distribute one written ballot to each member entitled to vote. Members in good standing on the record date as determined by the board of directors shall be entitled to vote on the directors. The ballots shall be mailed in the manner determined by the board of directors. All solicitations of votes by written ballot shall (a) specify that members may write in vote(s) for directors not listed on the ballot; (b) specify that the member is entitled to one vote (including write in votes) per vacancy; (c) shall specify that votes shall be weighted based on assessment paid into the Fashion District Property and Business Improvement District; (d) shall specify that there shall be no cumulative voting, and (e) specify the time by which the ballot must be received in order to be counted.

After the ballots are returned, votes shall be counted. The candidates receiving the highest number of votes, weighted by property owner assessment, shall be elected to the board of directors. The number elected shall equal the number of vacancies.

Section 5. Regular Meetings.

Regular meetings of the board shall be held with reasonable notice and shall be held at any place designated from time to time by resolution of the board. There shall be a minimum of eight (8) regular meetings per year. Regular meetings may only be cancelled by a majority of the board of directors by phone with a facsimile confirmation. In addition to any

other notice requirement, all regular meetings shall be noticed pursuant to the requirements of the Ralph M. Brown Act, Government Code section 54950 et seq.

Section 6. Special Meetings.

Special meetings of the board of directors may be called by or at the request of the Chairperson, the Executive Director, or four of the directors by written resolution signed by those directors.

Section 7. Notice of Special Meetings.

Notice of any special meeting of the board shall be given at least two (2) days prior thereto either personally or by telephone or facsimile or four (4) days notice by first-class mail, subject to waiver of notice as provided in Article X of these Bylaws. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation. The attendance of a director at any special meeting shall also constitute a waiver of notice of such meeting. In addition to any other notice requirement, all special meetings shall be noticed pursuant to the requirements of the Ralph M. Brown Act, Government Code section 54950 et seq.

Section 8. Manner of Acting.

Action by the board shall be by a majority of the directors present at a meeting duly held at which a quorum has been established unless a greater number is required by law or a specific provision of these Bylaws.

Section 9. Quorum and Supermajority Voting Requirements.

Eight (8) directors holding office at any point in time shall constitute a quorum for the transaction of any business, except as provided otherwise in these Bylaws. The directors may continue to transact business during a meeting at which a quorum is initially present,

notwithstanding the withdrawal of directors, if any action is approved by at least a majority of the required quorum for that meeting. Notwithstanding any other provision of these Bylaws, the board shall have a minimum of ten (10) directors voting in the affirmative to take any of the following actions:

- (a) elect an officer of the corporation;
- (b) remove an officer of the corporation; and
- (c) remove a director of the corporation

Section 10. Vacancies.

(a) A vacancy or vacancies in the board of directors shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any director; (ii) the declaration by resolution of the board of directors of a vacancy of the office of a director who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order of judgment of any court to have breached a duty under the California Nonprofit Corporation Law; (iii) the increase of the authorized number of directors, (iv) if a director has three absences from regular meetings of the board in any calendar year, (v) if a director fails to serve on at least one committee, or (vi) if a director no longer has any property interest in the FDPBID or if a property owner representative, no longer represents the property owners the director represented at the time of the director's election to the board of directors.

(b) Any vacancy occurring in the board of directors shall be filled by an action of the board. A director appointed by the board to fill a vacancy shall hold office until the next regular election of the board of directors during which time a director shall be elected to fill the remainder of the unexpired term.

Section 11. Resignations.

Except as provided in this paragraph, any director may resign, which resignation shall be effective on giving written notice to the Chairperson, the Secretary, or the board of directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the board of directors may elect a successor to take office as of the date when the resignation becomes effective.

Section 12. Compensation.

Directors shall not receive compensation for their services as members of the board. Nothing herein shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefore or from receiving reimbursement for reasonable expenses, as may be fixed or determined by resolution of the board.

Section 13. No Interests in Assets.

No director shall possess any property right in or to the property of the corporation. In the event the corporation owns or holds any property upon its dissolution and winding up, after paying or adequately providing for its debts and obligations, the directors shall dispose of the remaining property in accordance with the provisions of the Articles of Incorporation and these Bylaws.

ARTICLE V

OFFICERS

Section 1. Officers.

The officers of the corporation shall be a Chairperson, a Vice Chairperson, a Secretary, and a Treasurer. Officers shall have powers and duties as specified herein and as may

be additionally prescribed by the board. One person may hold two or more offices, except those of Chairperson and Treasurer but no officer shall execute, acknowledge, or verify any instrument in more than one capacity, if such instrument is required to be executed, acknowledged, or verified by two or more officers.

Section 2. Election and Term of Office.

The officers of the corporation shall be elected annually by the board of directors at the regular meeting of the board of directors in January. If the election of any officer shall not be held at such meeting, such election shall be held as soon thereafter as conveniently possible. New offices may be created and filled, and vacancies may be filled, at any meeting of the board of directors. Each officer shall hold office until a successor is elected, unless otherwise removed. The annual “custom” of the offices is to rotate into higher office. For example, the Treasurer becomes Vice Chair, and Vice Chair becomes Chair. This rotation only transpires if so voted by the board of directors during the election of officers.

Section 3. Removal.

Subject to the rights, if any, of an officer under any contract or employment, any officer elected or appointed by the board may be removed by the board with or without cause, whenever in its judgment the best interest of the corporation would be served thereby. As is stated in Bylaws Article IV, Section 9, the board shall have a minimum ten (10) directors voting in the affirmative to remove an officer of the corporation. If an officer has three (3) absences from meetings in a calendar year, the officer shall be removed from office.

Section 4. Resignation.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time

specified in that notice and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

Section 5. Chairperson.

The Chairperson shall serve as the Chairperson of the board of directors. The Chairperson shall preside at all meetings of the corporation and shall exercise and perform such other powers and duties as the board may assign from time to time. He or she shall have general supervision and direction of the business of the corporation. The Chair shall appoint all committees.

Chairpersons are limited to serving two consecutive one-year terms or a total of two (2) years. A Chairperson who is termed out after two (2) terms shall wait out one year before becoming eligible again for nomination to the office of Chairperson.

Section 6. Vice Chairperson.

The Vice Chairperson shall execute the duties of the Chairperson in the Chairperson's absence.

Section 7. Secretary.

The Secretary shall be responsible for the mailing of notices and see to the proper recording of proceedings of meetings of the corporation.

Section 8. Treasurer.

The Treasurer shall be responsible for the corporation's funds and financial records. The Treasurer shall collect and report, or supervise collection and reporting, of all income and expenditures, shall establish proper accounting procedures for the handling of the corporation's funds, and shall be responsible for the keeping of the funds in such banks as

approved by the board. The Treasurer shall report on the financial condition of the corporation at meetings of the board and at other times when called upon by the Chairperson.

At the end of each fiscal year, the Treasurer shall prepare, or cause to be prepared, the following two annual reports: (1) an annual report to be submitted to the City of Los Angeles which complies with all rules and regulations imposed by the City of Los Angeles; and (2) an annual certified audit to be prepared by an independent certified public accountant in compliance with generally accepted accounting principles (GAAP). At the expiration of the Treasurer's term of office, or upon removal, the Treasurer shall immediately deliver over to the person designated by the Chairperson all books, money and other property in his or her charge.

ARTICLE VI

COMMITTEES

Section 1. General.

All directors shall have the right to attend any and all committee meetings. Rules for committee meetings shall be established by the board of directors. The Chair of the corporation shall appoint all committee members and committee chairs. All directors shall serve on at least one committee. The standing committees of the corporation are: Operations, Image Communications and Special Projects, Finance, Personnel, Complaint, and Election. A committee member shall be removed from a committee if he/she has more than three unexcused absences from committee meetings in one calendar year.

Section 2. Election Committee.

The Election Committee shall be comprised of a minimum of three (3) directors.

The directors appointed to the Election Committee shall have the following duties:

- (a) To inform all property owners throughout the Fashion District of current vacancies on the board and qualifications needed to fill the vacancies;
- (b) To inform all property owners throughout the Fashion District of the procedures for nominating and electing directors;
- (c) To review the qualifications of any person who has notified the Election Committee in writing that he/she desires to be considered as a Candidate;
- (d) To transmit to the board of directors a list of qualified candidates for each vacancy at least thirty (30) days prior to the election of board members.

Section 3. Finance Committee.

The Chair shall appoint a Finance Committee with a minimum of three (3) directors. The Finance Committee's responsibilities include oversight of all financial information to the directors. The Finance Committee shall meet a minimum of once every other month. On a monthly basis, the Finance Committee shall be presented with a copy of the corporation's check register for the prior month's activities.

Section 4. Personnel Committee.

The Chair shall appoint Personnel Committee members comprised solely of persons who are current Members of the Board of Directors.

Section 5. Other Committees.

The board of directors may, by resolution, establish other committees, as it deems necessary.

ARTICLE VII

FISCAL YEAR

The fiscal year of this corporation shall be January 1 through December 31.

ARTICLE VIII

INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER CORPORATE AGENTS AND INSURANCE

Section 1. Indemnification.

To the fullest extent permitted by law, this corporation 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 corporation, by reason of the fact that the person is or was a person described in that section. “Expenses,” as used in this Bylaw, shall have the same meaning as in that section of the Corporation Code.

Section 2. Insurance.

This corporation shall have the right to 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 IX

BOOKS AND RECORDS

Section 1. Maintenance and Inspection of Membership Record.

The rights and obligations set forth in these bylaws, including, without limitation, the inspection of documents, shall be subject to the provisions and limitations of disclosure set forth in the Public Records Act, Government Code Section 6250 et seq. The corporation shall have no obligation to disclose any records which are protected by law, including without limitation, the Public Records Act. The corporation shall keep at its principal office a record of the names and addresses of all members of the corporation, and the amount of each member's total assessment paid in to the FDPBID. Each member shall have the right to inspect and copy the record of members' names and addresses during usual business hours, on five days' prior written demand on the corporation.

Section 2. Maintenance and Inspection of Articles and Bylaws.

The corporation shall keep at its principal office, the original or a copy of the articles and the bylaws of the corporation as amended to date, which shall be open to inspection by the members at all reasonable times during office hours.

Section 3. Maintenance and Inspection of Minutes and Accounting Records.

The minutes of proceedings of the members, board of directors, and committees of the board, and the accounting books and records of the corporation, shall be kept at the principal office of the corporation. The minutes shall be kept in written form, and the accounting books and records shall be kept either in written form or in a form capable of being converted into written form. The minutes and accounting books and records shall be open to inspection on the written demand of any member. The inspection may be made in person or by an agent or

attorney, and shall include the right to copy and make extracts at the requesting member's expense.

Section 4. Inspection By Directors.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. This inspection by a director may be made in person or by an agent or attorney and the right of inspection includes the right to copy and make extracts of documents at the requesting director's expense.

ARTICLE X

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the California Nonprofit Corporation Law, the Ralph M. Brown Act, or under the provisions of the Articles of Incorporation or by the Bylaws of the corporation, a written waiver thereof, signed by the person or persons entitled to such notice, whether before or after the time stated therein, which is made a part of the minutes, shall be deemed equivalent to the giving of such notice.

ARTICLE XI

ANNUAL REPORTS

Not later than one hundred twenty (120) days after the close of the corporation's fiscal year, the board shall cause to be sent to the directors an annual report and an annual statement of transactions and indemnifications in accordance with applicable state law.

ARTICLE XII
RULES OF ORDER

The rules contained in Robert's Rules of Order Newly Revised or as may be amended from time to time, shall govern the corporation in all cases in which they are applicable, and in which they are not inconsistent with these Bylaws, the Articles of Incorporation, or then existing law.

ARTICLE XIII
AMENDMENTS TO BYLAWS

New Bylaws may be adopted, or these Bylaws may be amended or repealed, by an affirmative vote of at least ten (10) directors at a board of directors meeting. Provided however, that the directors may not amend or repeal matters materially affecting the rights of members or the election of directors, which shall only be amended on a vote of a majority of members in accordance with Article III, Section 4. A copy of the proposed amendment or new Bylaws shall be included in the notice of meeting given to each director. The proposed amendment or new Bylaws must be mailed or faxed to all directors at least three (3) business days in advance of the meeting at which the amendment or new Bylaws will be considered.

ARTICLE XIV
EFFECTIVE DATE OF AMENDMENTS

All of the amendments approved herein shall only become effective upon approval of the FDPBID for an additional five year term which would commence in 2004. Upon approval of the FDPBID for an additional five year term, these amendments shall go into effect immediately and this Article XIV shall be deleted from the Bylaws.

CERTIFICATE

I, Ethan Eller, hereby certify:

That I am the duly elected and acting Secretary of the Downtown Los Angeles Property Owners Association, Inc., a California Nonprofit Mutual Benefit Corporation; and

That the foregoing Bylaws, consisting of 22 pages, including this one, constitute the Bylaws of said corporation, a duly adopted by the board of directors at a meeting held on December 11, 2003 at Los Angeles, California.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 2004.

SECRETARY