

**BY-LAWS**  
**OF**  
**LONG BEACH PUBLIC TRANSPORTATION COMPANY**  
**(AS AMENDED ON OCTOBER 25, 2010)**

**ARTICLE ONE**

**Offices**

The principal office of the corporation shall be located in the City of Long Beach, California.

**ARTICLE TWO**

**Action of Shareholder**

As the only shareholder of the corporation is the City of Long Beach, shareholder action may be taken in any manner selected by the City. All such action shall become effective upon the filing of written notice of such action by the City Clerk with the President and Chief Executive Officer of the Company.

## ARTICLE THREE

### Directors

**Section 1.**

**Powers.**

All corporation powers shall be exercised, and the business and affairs of the corporation shall be managed, by or under the direction of the Board of Directors. The Board may, however, delegate the management of the day-to-day operation of the business of the corporation to the President and Chief Executive Officer. Without limiting their general powers, the directors shall have the following specific powers:

- (a) To select and remove the officers, managers, agents and employees of the corporation, prescribe appropriate duties for them, fix their compensation and require security for faithful service.
- (b) To prescribe and enforce appropriate rules and regulations.
- (c) To adopt and use a corporate seal, to prescribe the forms of certificates of stock, and to alter the form of such seal and of such certificates from time to time.
- (d) To authorize the issue of the shares of stock of the corporation upon such terms as may be lawful.
- (e) To acquire, lease or dispose of property, to borrow money, to guarantee and assume indebtedness, and to execute and deliver deeds, guarantees, leases, notes, bonds, debentures, deals of trust, mortgages, pledges, hypothecations, assumptions, or other evidence of debt and security.

**Section 2.**

**Number And**

**Qualification.**

The authorized number of directors of the Corporation shall be seven (7) until changed by amendment of the Articles of Incorporation or a By-Law adopted by the shareholder. In addition to the seven members of the Board, the City Manager may appoint two (2) non-elected employees or officers of the City of Long Beach to attend Board meetings as City Representatives; however, these representatives shall have no voting power.

**Section 3.**

**Selection And**

**Term Of Office.**

All directors, shall have a four-year term of office. In order to allow for continuity of management, each directorship shall be given a number and a term of office as follows:

| <b><u>Directorship</u></b> | <b><u>Term of Office</u></b>         | <b><u>Director Presently Holding Office</u></b> |
|----------------------------|--------------------------------------|---|
| Directorship No. 1         | January 1, 2010 to December 31, 2013 | Douglas S. Drummond                             |
| Directorship No. 2         | January 1, 2010 to December 31, 2013 | Vacant  |
| Directorship No. 3         | January 1, 2007 to December 31, 2010 | Freda Hinsche Otto                              |
| Directorship No. 4         | January 1, 2007 to December 31, 2010 | Dr. James P. Norman, Jr.                        |
| Directorship No. 5         | January 1, 2008 to December 31, 2011 | Robert W. Parkin                                |
| Directorship No. 6         | January 1, 2008 to December 31, 2011 | Mark Curtis                                     |
| Directorship No. 7         | January 1, 2009 to December 31, 2012 | Barbara Sullivan George                         |

On or before the commencement of each term of office, the City Council of the City of Long Beach shall appoint a director for each office and the person appointed shall hold office during such term, unless he/she is removed from office by the City Council, dies or resigns.

Each director, including existing directors, shall not hold office for more than two terms. In the event any of the existing directors have held office for more than eight years when their term of office is to commence, they shall not be eligible for reappointment. In the event any of the existing directors have held office for more than four years but less than eight years, when their term of office is to commence, they shall be eligible for reappointment for one term.

In the event the City Council appoints a director to serve out an unexpired term, such unexpired term shall not be considered as a term. In the event an existing director resigns before his/her term of office is to commence, the City Council shall appoint a director to take office prior to the commencement of such director's term and the director appointed shall serve the remainder of such initial term and shall be eligible for reappointment to two full terms.

If the Board of Directors accepts the resignation of a director which is tendered to take effect at a future time, the City Council shall select a successor to take office when the resignation is to become effective.

The Company shall promptly notify the City Clerk of the resignation or death of a director and shall notify the City Clerk ninety (90) days prior to the commencement and the expiration of the term of a director. In the event the City Council does not act to appoint a director or to fill the vacancy within ninety (90) days after the City Clerk has been so notified, the vacancy may be filled by a majority of the remaining directors.

**Section 4.**

**Regular Meetings.**

The schedule for regular meetings of the Board of Directors for the current year and January of the following year shall be adopted at the first regular meeting held after January 1 of each year. In the event a regular meeting falls upon a legal holiday, the meeting shall be held at the same time on the next day which is not a legal holiday, unless the Board select another date for its regular monthly meeting for that month.

**Section 5.**

**Organizational Meetings.**

At its first regular meeting after January 1 of each year, the Board of Directors shall hold an organizational meeting to elect officers.

**Section 6.**

**Special Meetings.**

Special meetings of the Board of Directors for any purpose may be called at any time by the chairman. In the event he/she is absent or is unable or refuses to act, a vice chairman or any two directors may call a special meeting. Written notices of the time and place of special meetings shall be delivered personally to the directors or sent to each director by mail or telegraph at his/her address as it is shown upon the records of the corporation. In case such notice is mailed or telegraphed, it shall be deposited in the United States mail or delivered to the telegraph company in the place in which the principal office of the corporation is located, at least forty-eight (48) hours prior to the meeting. The City Clerk shall also be advised of the calling of special meetings and shall be requested to give notice to the public of the calling of special meetings.

**Section 7.**

**Waiver of Notice.**

Any meeting of the Board of Directors, however called and noticed, shall be valid as if it were held after regular call and notice, if a quorum is present and each of the directors not present signs a written waiver of notice or an approval of the minutes.

All such waivers or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

**Section 8.**

A majority of the authorized number of directors

**Quorum.**

shall be necessary to constitute a quorum for

the transaction of business, except to adjourn as hereinafter

provided. Every act or decision made by a majority of the directors present shall be regarded as the act of the Board of Directors.

**Section 9.**

A quorum of the directors may adjourn any

**Adjournment.**

directors' meeting to meet again at a stated day

and hour. In the absence of a quorum, a majority of the

directors present at any directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

**Section 10.**

Directors shall not receive any stated salary for

**Fees And Compensation.**

their services as directors, but the Board may

fix a reasonable fee, with or without expenses, to be allowed

for attendance at each meeting. A director shall not, however, be precluded from serving the corporation in any other capacity as an officer, agent, employee or representative and from receiving appropriate compensation for his/her services.

**Section 11.**

Any action required or permitted to be taken by

**Action Without Meeting.**

the Board of Directors may be taken without a

meeting if a majority of the members of the Board shall

individually or collectively consent to such action. Such consent shall be filed and duly explained at the next regular meeting of the board and the action taken shall be ratified.

## **ARTICLE FOUR**

### **Officers**

#### **Section 1.**

#### **Officers.**

The officers of the corporation shall be chairman, a vice chairman, a secretary, a treasurer, and a president and chief executive officer. The Board may also elect one or more additional vice chairmen, one or more assistant secretaries, and such other officers as the Board may elect. The officers need not be directors.

#### **Section 2.**

#### **Elections.**

The officers of the corporation, except the President and Chief Executive Officer and the officers who may be appointed under Section 3 of this Article, shall be chosen at its organizational meeting each year. The elected officers shall serve for a term of one year and no officer shall serve as chairman, vice chairman, secretary, assistant secretary or treasurer for more than two successive years.

#### **Section 3.**

#### **Subordinate Officers, Etc.**

The Board of Directors may appoint such other officers as the business of the corporation may require. Such officers shall hold office for such period as may be determined by the Board of Directors.

#### **Section 4.**

#### **Removal, Resignation**

#### **And Vacancies.**

Any officer may be removed at any time, with or without cause by the Board of Directors. Vacancy in any office, by reason of death, resignation, removal, disqualification or other cause, shall be filled by the Board of Directors.

**Section 5.**

**Chairman.**

of Directors.

The chairman shall preside at all meetings of the Board and shall have such other powers and perform such other duties as may be prescribed by the Board

**Section 6.**

**President and**

**Chief Executive Officer**

The President and Chief Executive Officer shall have the responsibility for the day-to-day management of the corporation.

**Section 7.**

**Vice Chairman.**

In the absence or disability of the chairman, the Vice chairmen, in order of their rank as fixed by the Board of Directors, or if not ranked, the vice chairman designated by the Board of Directors, shall perform the duties of the chairman. When so acting, he/she shall have all the powers of the chairman. The vice chairman shall have such powers and perform such duties as may be prescribed by the Board of Directors.

**Section 8.**

**Secretary.**

The secretary shall have the responsibility to record and maintain a book of minutes of all meetings of the directors and all actions taken by the shareholder, but he/she may delegate the performance of these duties to such other person as he/she may select. The secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Directors.



**Section 9.**

The treasurer shall have the responsibility for

**Treasurer.**

keeping and maintaining adequate and correct

books of account and the business transactions of the

corporation, but he/she may delegate the performance of these duties to employees of the

corporation. The treasurer shall have such other powers and perform such other duties as may

be prescribed by the Board of Directors or the By-Laws.

**Section 10.**

The books and records of accounts of the

**Audit Of Books**

corporation shall be audited annually by the City Auditor.

**And Records.**

**ARTICLE FIVE**

**Indemnification Of Directors And Officers**

Each director and officer, whether or not then in office, shall be indemnified by the corporation against all liabilities, costs and expenses reasonably incurred by or imposed upon him/her in connection with or arising out of any action, suit or proceeding in which he/she may be involved or to which he/she may be made a party by reason of his/her being or having been a director or officer of corporation. Such liabilities, costs and expenses shall include the cost of reasonable settlements (other than amount paid to the corporation itself) made to curtail costs of litigation. The corporation shall not, however, indemnify a director or officer with respect to matters as to which he/she shall be finally adjudged to have been guilty of willful misfeasance or derelict in the performance of his/her duties. The foregoing right of indemnification shall not be exclusive of other rights to which any director or officer may be entitled as a matter of law.

**ARTICLE SIX**

**Miscellaneous**

**Section 1.** All checks, drafts or other orders for payment of  
**Checks, Drafts, Etc.** money, notes or other evidence of indebtedness payable to the corporation shall be signed or endorsed by such person or persons as shall be determined by the Board of Directors.

**Section 2.** The Board of Directors may authorize any officer  
**Executive Of Contracts.** or agent or employee to enter into a contract or execute any instrument on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the corporation, to pledge its credits, or to render it liable for any purpose.

**Section 3.** This corporation shall be subject to the Fair  
**Fair Political Practices Act.** Political Practices Act under a Conflict of Interest Code adopted by the City Council of the City Long Beach.

**Section 4.** This corporation shall be subject to Sections  
**Brown Act.** 54950 through 54961 of the Government Code, commonly known as the Brown Act.

**ARTICLE SEVEN**

**Amendments**

**Section 1.**

**Power Of Shareholder.**

The shareholder may adopt, amend or repeal these By-Laws.

**Section 2.**

**Power Of Directors.**

Subject to the right of the shareholder to adopt, amend or repeal them, the Board of Directors may adopt, amend or repeal By-Laws.