

**Bylaws of the  
Monterey County Destination Marketing Organization, Inc.  
A California Nonprofit Mutual Benefit Corporation  
(dba: Monterey County Convention and Visitors Bureau)**

**ARTICLE IV  
MEMBERS**

**Section 1: Definitions.** This Corporation shall have no members within the meaning of the California Nonprofit Corporation Law, pursuant to Corporation Code §7332(a).

**Section 2: Non-Voting Members.** The Corporation's Board of Directors may, in its discretion, admit individuals to one or more classes of non-voting members; the class or classes shall have such rights and obligations as the Board finds appropriate. The Corporation shall have the following non-voting members:

- A. Funding Jurisdictions: Local city or county jurisdictions within Monterey County, including the County itself, that fund the Corporation and participate in the Monterey County Tourism Improvement District. The minimum contribution shall be calculated as a percent of the total transient occupancy tax collected by the jurisdiction. The percent will be set by the Board of Directors. Jurisdictions in Monterey County having no transient occupancy tax may become a Funding Jurisdiction upon payment of a minimum contribution as set by the Board of Directors.
- B. Regular Non-Voting Member: Any person, corporation, partnership, association or governmental jurisdiction dedicated to the purpose of this Corporation and, upon compliance with such conditions as may be prescribed by the Board of Directors, shall be eligible for non-voting membership on approval of the membership application and the payment of such dues and fees as the Board may approve from time to time. Regular non-voting members may invest in a variety of member benefit levels as determined by the Board.
  - 1. Regular non-voting membership in the corporation shall be limited to persons or entities that (1) complete all required application forms and make payments of any applicable fees/dues; (2) have and retain an interest in the objectives and purposes of this organization; (3) meet any of the following qualifications; and (4) are approved for non-voting membership by the Board of Directors:
    - a. Business purpose is in the tourism and/or hospitality services within a Funding Jurisdiction. Any lodging establishment that pays TID funds shall automatically be a regular non-voting member; or
    - b. Derives benefits from the hospitality industry and/or tourism in the Funding Jurisdiction; or
    - c. Is directly or indirectly involved in the promotion and/or marketing of tourism within and regarding Funding Jurisdictions.
- C. Out of County Member: Any person, business, corporation, partnership, or association that is not an accommodations facility (lodging property) whose physical address is

outside of Monterey County dedicated to the purpose of this Corporation and, upon compliance with such conditions as may be prescribed by the Board of Directors, shall be eligible for non-voting membership on approval of the membership application and the payment of such dues and fees as the Board may approve from time to time. Regular non-voting members may receive a variety of member benefits as determined by the Board.

1. Any person or entity eligible for membership shall remain qualified for membership so long as they do not:
  - a. Violate any ethical or legal standards, regulations or laws which materially affect the reputation of the Corporation;
  - b. Fail to perform and/or provide services in accordance with all applicable health and safety codes, regulations and laws; or
  - c. Operate their business or perform services which are the subject of multiple, material complaints by visitors/tourists, governmental agencies or members regarding the quality of service or business; its safety or health; or
  - d. Engage in conduct as a non-voting member which is seriously detrimental to the best interests of the Corporation or other members; or
  - e. Knowingly violate these Bylaws of the Corporation.
2. The Board of Directors may suspend or terminate non-voting members who are non-compliant with the provisions of this Article. Non-voting Memberships may be suspended and terminated following policies and procedures developed by the Board.