

THIRD AMENDED AND RESTATED

BYLAWS

OF

SD CARD ASSOCIATION

A California Nonprofit
Mutual Benefit Corporation

ARTICLE I

GENERAL ORGANIZATION

Section 1.1 Name.

This corporation shall be known as the SD Card Association (hereinafter referred to as the “*Corporation*”).

Section 1.2 Principal Office.

The principal office of the Corporation shall be in California. The Board of Directors of the Corporation (the “*Board*”) is hereby granted full power and authority to change said principal office from one location to another both within and without the State of California.

Section 1.3 Other Offices.

Branch or subordinate offices may at any time be established by the Board at any place or places.

Section 1.4 Nonprofit Status.

The Corporation shall be a nonprofit corporation and is not empowered to engage directly or indirectly in any activity, including distribution of its assets upon dissolution, that would invalidate its status as a California Nonprofit Mutual Benefit organization.

Section 1.5 Language.

English shall be the official language of the Corporation. All proceedings, and all materials, shall be in English.

Section 1.6 Specifications.

The specific purpose of the Corporation is to further define standards for, and promote market acceptance of, a next generation flash memory card technology with security methods that prevent unauthorized use or copying and its applications. The initial specifications for such memory card standard (the “*Specifications*”) have been jointly developed by SanDisk Corporation, Toshiba Corporation, and Panasonic Corporation (collectively, the “*3C Members*”). The 3C Members are the founding Executive Members of the Corporation. SD-3C, LLC, a limited liability company (“*SD-3C, LLC*”) whose members are the 3C Members, has agreed to make certain license rights respecting the Specifications available to all members of the Corporation (each, a “*Member*”) and others, pursuant to separate license agreements.

The term “*Specifications*” as used herein shall also apply to such Specifications as are amended, modified or adopted by the Corporation from time to time hereafter in accordance with the terms and requirements of these Bylaws.

Section 1.7 Open Membership/Antitrust Law Compliance.

The Corporation and its Members shall be at all times dedicated to the principles of full and open competition, in full compliance with all applicable laws, including all antitrust laws of the United States and other nations and governmental bodies. Membership in the Corporation shall be at all times open to applicants which meet the applicable criteria which are set forth in Article II of these Bylaws.

The Corporation shall at all times have in place an antitrust policy which more formally sets forth the principles just expressed, and the Corporation and its Members shall at all times adhere to such policy as it exists from time to time hereafter. Such antitrust policy shall include, without limitation, provisions prohibiting any restriction against or limitation on any Member’s rights or freedom to make, use, sell, develop or distribute products which compete with products that embody the Specifications.

Section 1.8 SD Association.

The Corporation shall be authorized, in the sole determination of the Board, to use the common name “*SD Association*” in its general dealings, and shall be authorized to use any other common name as the Board shall determine. The adoption and usage of any such name or names shall be effected in accordance with the laws of California and any other applicable laws pertaining to the use of fictitious business names.

ARTICLE II

MEMBERS

Section 2.1 Related Entities.

No more than one (1) individual employed by or affiliated with Related Entities (as hereinafter defined) shall be permitted to serve as a director on the Board (a “*Director*”) at any one time. Related Entities that include one or more Executive Members (as hereinafter defined), shall be limited to one (1) vote for purposes of Executive Member voting as specified in these Bylaws or by the Board from time to time and shall be subject to the restrictions set forth in Section 3.6 below. In addition, no more than one (1) entity among Related Entities may hold an Executive Membership at any one time, subject to the restrictions set forth in these Bylaws. For avoidance of doubt, any Related Entities may join the Corporation as General Members (as hereinafter defined) and upon joining shall be entitled to all of the rights of General Membership.

For purposes of this section, “*Related Entities*” shall mean, with respect to an Executive Member, such Executive Member and any corporation, firm, partnership, proprietorship, or other legally recognizable form of business entity, in whatever country organized or resident, that directly or indirectly owns or controls, is owned or controlled by or is in common ownership or control with such Executive Member. For the purpose of this definition, “*ownership*” shall mean more than fifty percent (50%) beneficial ownership of the equity securities or interests of the legally recognizable entity or the ability to vote more than fifty percent (50%) of the aggregate votes cast at a partner or shareholder meeting (or the ability to control any single class of votes), in each case, only so long as such ownership or voting rights continue. For the purpose of this definition, “*control*” shall mean the power to direct or cause the direction of the management or policies of such legally recognizable entity, directly or indirectly, whether

through the ownership of voting shares, by contract or otherwise, in each case, only so long as such power continues.

Section 2.2 Conditions of Executive Membership.

The Members who shall have the right to vote in accordance with Section 2.4 below (hereinafter referred to as “*Executive Members*”), shall be business entities which meet all of the following criteria:

- (a) Are actively engaged in the design, development, manufacture or sale of products or services which utilize the Specifications;
- (b) Agree to adhere to the Corporation’s Bylaws, its policies and regulations as adopted from time to time (including, without limitation, its Antitrust Policy, its Intellectual Property Policy, and any rules and procedures promulgated by its Technical Committee (as hereinafter defined) or other committees);
- (c) Agree to timely and fully pay all membership dues, fees and assessments as are established from time to time by the Board;
- (d) Agree to reasonably support the committees and/or working groups of the Corporation, and to take all due steps to ensure that a representative attends meetings of such committees and/or groups as needed;
- (e) Agree to publicly support and actively promote the goals and purposes of the Corporation, including the Specifications and their broad industry acceptance and adoption;
- (f) Have been approved by the Membership Committee (as hereinafter defined) as having met each of the foregoing criteria; and
- (g) Meet such other qualifications and requirements as the Board may from time to time specify in the Corporation’s Membership Agreement.

An Executive Member shall remain in good standing provided all dues, assessments and fees, together with such penalties for late payment as may be determined by the Board, have been paid within the period set by the Board, and the Executive Member continues to meet all of the other requirements of Executive Membership.

Section 2.3 Privileges of Executive Membership.

Each Executive Member in good standing shall be entitled to designate a primary Representative (as hereinafter defined) and alternate Representatives of such Executive Member to vote for the election of directors to the Board as set forth in Section 4.3 below, and on each matter submitted to a vote of the Members, subject to the restrictions in Section 2.1 above and in this paragraph. Such designations or amended designations shall be provided in writing to the President of the Corporation or his or her designee at least five business days prior to any vote of the Members and shall be signed by an authorized representative of such Executive Member. The primary Representative of an Executive Member may, from time to time, remove and/or replace the names of the alternate Representatives of such Executive Member by providing an amended designation of Representatives of such Executive Member to the President of the Corporation or his or her designee signed by the primary Representative of such Executive Member. Each Executive Member may, from time to time, remove and replace its primary Representative by providing an amended designation of Representatives of such Executive Member to the

President of the Corporation or his or her designee signed by an authorized representative of such Executive Member. Subject to the restrictions in Section 2.1 above, each Executive Membership shall have only one vote on each matter or election of Directors. Each Executive Member in good standing shall be entitled to attend, or designate one or more of its Representatives, to attend the meetings of the Technical Committee (as hereinafter defined) and such other committees as the Board shall determine from time to time. The right of a Representative of an Executive Member to vote on such committees shall be as set forth herein and in the charters of such committees. Executive Members who fail to be in good standing, as set forth in Section 2.2 above, shall not be entitled to vote on any matter.

Additionally, Executive Members shall have all of the rights under the Nonprofit Corporation Law of the State of California, as amended from time to time (the “*Nonprofit Corporation Law*”), which are afforded to members of a mutual benefit corporation (as defined in Section 5056 thereof) and shall receive all publications of the Corporation which are intended for regular distribution as may be determined by the Board.

A “*Representative*” of an Executive Member or nonvoting member shall be an employee, officer, director or consultant of such Executive Member or nonvoting member, as applicable, or of any Subsidiary Participant (as hereinafter defined) of such Executive Member or nonvoting member, as applicable. A “*Subsidiary Participant*” means, with respect to an Executive Member, any corporation, firm, partnership, proprietorship, or other legally recognizable form of business entity, in whatever country organized or resident, which such Executive Member directly or indirectly owns or controls one hundred percent (100%) of the equity securities or interests of the legally recognizable entity, in each case, only so long as such ownership or voting rights continue and only if such entity has executed a Subsidiary Agreement contemplated by the Corporation’s Membership Agreement. For the purpose of this definition, “control” shall mean the Executive Member’s or nonvoting member’s, as applicable, exclusive power to direct or cause the vote of one hundred percent (100%) of the aggregate votes cast at any partner, member, owner or shareholder meeting of such legally recognizable entity through the ownership of voting shares, by contract or otherwise.

Section 2.4 Conditions of General Membership.

(a) General Membership. Any person or entity (whether corporation, partnership, sole proprietorship, firm, natural person, or organization, and including without limitation colleges, universities, and other institutes of higher learning) shall have the right to be a General Member (hereinafter referred to as “*General Members*”) if such person or entity meets all of the following criteria:

(i) Has a demonstrated interest in the design, development, manufacture or sale of products or services which utilize the Specifications;

(ii) Agrees to adhere to the Corporation’s Bylaws, its policies and regulations as adopted from time to time (including, without limitation, its Antitrust Policy, its Intellectual Property Policy, and any rules and procedures promulgated by its Technical or other Committees);

(iii) Agrees to timely and fully pay all membership dues, fees and assessments as are established from time to time by the Board;

(iv) Agrees to support and promote the goals and purposes of the Corporation, including the Specifications and their broad industry acceptance and adoption; and

(v) Meets such other qualifications and requirements as the Board may from time to time specify in the Corporation’s Membership Agreement.

A General Member shall remain in good standing provided all dues, assessments and fees, together with such penalties for late payment as may be determined by the Board, have been paid within the period set by the Board, and the General Member continues to meet all of the other requirements of General Membership.

Section 2.5 Privileges of General Membership.

Each General Member in good standing shall be entitled to attend, or designate one or more Representatives of such General Member to attend, as an observer and in a non-voting capacity, the meetings of the Technical Committee, Marketing Committee, and such other committees as the Board shall determine from time to time and shall receive all publications of the Corporation which are intended for regular distribution as may be determined by the Board. General Members shall be included in the class of persons referred to in these Bylaws as “nonvoting members.” General Members may not attend Board meetings, including Board committee or Board ad-hoc sub-committee meetings.

Notwithstanding the foregoing, General Members will not be entitled to:

(a) Attend Board meetings, including without limitation Board committee or Board ad-hoc sub-committee meetings, unless, and only to the extent that, a Representative of such General Member has been designated in writing pursuant to Section 2.3 above and is serving as the Director at the request of an Executive Member;

(b) Any voting rights on any committees, working group and or ad-hoc sub-committees, unless, and only to the extent that, a Representative of such General Member has been designated in writing pursuant to Section 2.3 above and is subject to the limitations set forth herein and in the charters of such committees.

(c) Be considered members of a mutual benefit corporation (as defined in Section 5056 of the Nonprofit Corporation Law); or

(d) Be included in the term “Members” under these Bylaws.

Section 2.6 Other Classes of Members.

The Executive Members may create, by adopting an amendment to these Bylaws, one or more other classes of membership in the Corporation and may prescribe the designations, voting rights (if any), powers, privileges and method of selection of members of each such class. Only classes of membership which have voting rights in the Corporation shall be included in the term “Member” under these Bylaws, and classes of membership without voting rights shall be included in the term “nonvoting member.”

Section 2.7 Deprivation or Suspension of Membership.

Any Member or nonvoting member may be deprived of its membership or be suspended for cause by a majority vote of the Board. Cause shall be construed as failing to continue to meet the conditions of Executive Membership under Section 2.2 or the conditions of General Membership under Section 2.4. No deprivation or suspension of membership shall be effective unless:

(a) The Member or nonvoting member is given written notice of the proposed deprivation or suspension of membership and of the reasons therefor;

(b) Such notice is delivered personally or by first class or registered mail sent to the last address of the Member or nonvoting member shown on the Corporation's records;

(c) Such notice is given at least fifteen (15) days prior to the effective date of the proposed deprivation or suspension of membership; and

(d) Such notice sets forth a procedure, determined by the Membership Committee, to decide whether or not the proposed deprivation or suspension take place whereby the Member or nonvoting member is given the opportunity to be heard by such person or body, either orally or in writing, not less than five (5) days before the effective date of the proposed deprivation or suspension.

Section 2.8 Resignation by Member; Assignment of Membership.

A Member or nonvoting member may resign at any time. Notwithstanding any such resignation, a Member or nonvoting member shall remain fully liable for any outstanding and unpaid obligations to the Corporation for membership dues and assessments which arose during any period prior to the date which is thirty (30) days prior to the effective date of such resignation.

No membership in the Corporation, whether Executive Member or General Member, may be assigned without the written approval of the Corporation, and any purported assignment without such written approval shall be null and void.

Section 2.9 Membership List.

The name and address of each Member and nonvoting member shall be contained in a membership list to be maintained at the principal office of the Corporation. Termination of any membership shall be recorded on the list together with the date of such termination. The Members and nonvoting members shall be responsible for apprising the Corporation of all changes of name and address and such other information as may be required by the Nonprofit Corporation Law.

Section 2.10 Levy of Dues, Assessments or Fees.

The Corporation may levy dues, assessments or fees upon its Members and nonvoting members, but a Member or nonvoting member upon learning of any such dues, assessments or fees may (subject to the provisions of Section 2.8) avoid liability therefor by promptly resigning from membership, except where the Member or nonvoting member is, by contract or otherwise, liable for such dues, assessments or fees.

Section 2.11 Membership Committee and Admissions Decisions.

The Membership Committee (see Section 5.2 below) shall process applications for membership in the Corporation and shall, in its sole discretion, determine whether an applicant meets the admissions criteria established under Section 2.2 for Executive Membership and Section 2.4 for General Membership. If the Membership Committee determines by majority vote of its members that an applicant meets the admissions criteria under Sections 2.2 and 2.4, as applicable, the applicant will be admitted for the membership for which it qualified. Otherwise, the application will be considered rejected.

ARTICLE III

MEETINGS OF MEMBERS

Section 3.1 Place and Hour of Meetings.

All meetings of the Members shall be held either at the principal office of the Corporation or at such other place within or without the State of California and at such hour as may be designated by the Board in the notice of such meeting or in the waiver of notice thereof.

Section 3.2 Annual Meeting.

The annual meetings of the Members shall be held on such day and at such hour as may be fixed by the Board. In any year in which Directors are elected, the election shall be held at the annual meeting unless the Directors are chosen by written ballot pursuant to Section 3.8 of these Bylaws or in some other manner authorized by the Nonprofit Corporation Law. Any other proper business may be transacted at such annual meeting.

Section 3.3 Special Meetings.

Special meetings of the Members may be called at any time by the Board, the Chairman of the Board, the President, or by Members entitled to cast not less than five percent (5%) of the votes at the meeting.

Upon request by any person or persons entitled to call a special meeting of the Members, the Chairman of the Board, President, Vice President or Secretary shall, within twenty (20) days after receipt of the request, cause notice to be given to the Members entitled to vote at such meeting that a special meeting will be held at a time chosen by the Board, but not less than thirty-five (35) nor more than ninety (90) days after receipt of the request.

Section 3.4 Notice of Meetings or Reports.

(a) Written notice of each annual or special meeting of Members shall be given not less than ten (10) days nor more than ninety (90) days before the date of the meeting to each Member entitled to vote thereat; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than twenty (20) days before the meeting. Such notice shall be given (i) personally or (ii) by mail or other means of written communication, addressed or delivered to each such Member at the mailing address of such Member appearing on the books of the Corporation or given by the Member to the Corporation for the purpose of such notice. If no mailing address appears or is given, notice shall be given either personally or by mail or other means of written communication addressed to the Member at the place where the principal office of the Corporation is located, or by publication at least once in a newspaper of general circulation in the county in which the principal office of the Corporation is located. The notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication. An affidavit of giving of any notice or report in accordance with the provisions of this Section 3.4(a), executed by the secretary, assistant secretary or any transfer agent, shall be prima facie evidence of the giving of the notice or report. If any notice or report addressed to the Member at the address of the Member appearing on the books of the Corporation is returned to the Corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the Member at the address, all future notices or reports shall be deemed to have been duly given without further mailing if the same shall be available for the Member upon written

demand of the Member at the principal office of the Corporation for a period of one year from the date of the giving of the notice or report to all other Members.

(b) As an alternative to the provision of notice as described in Section 3.4(a) above, notice may be given by “electronic transmission” unless (i) the Corporation is unable to deliver two consecutive notices to the Member by that means or (ii) the inability to so deliver the notices to the Member becomes known to the Secretary, any assistant secretary, the transfer agent, or other person responsible for the giving of the notice. For the purposes of this Section 3.4(b), “electronic transmission” shall mean a communication (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Corporation, (2) posting on an electronic message board or network which the Corporation has designated for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered upon the later of the posting or delivery of the separate notice thereof, or (3) other means of electronic communication, (b) to a recipient who has provided an unrevoked consent to the use of those means of transmission for communications under or pursuant to this code, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form. However, an electronic transmission to an individual Member of the Corporation who is a natural person (and if also an officer or Director of the Corporation, only if communicated to the recipient in that person's capacity as a Member), is not authorized unless, in addition to satisfying the requirements of this section, the consent to the transmission has been preceded by or includes a clear written statement to the recipient as to (a) any right of the recipient to have the record provided or made available on paper or in non-electronic form, (b) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the Corporation, and (c) the procedures the recipient must use to withdraw consent.

(c) Each Member is responsible for ensuring that the contact person and his/her contact information provided to the Corporation is correct and complete at all times, including without limitation a valid mailing address and electronic mail address for such contact person.

(d) All such notices shall state the place, the date and the hour of such meeting, and shall state such matters, if any, as may be expressly required by the Nonprofit Corporation Law.

(e) The notice (or a written waiver of notice) must state the general nature of any proposed action by the Members with respect to the following: (i) removing a Director without cause; (ii) filling vacancies on the Board by the Members; (iii) amending the Articles of Incorporation; (iv) approving a contract or transaction in which a Director has a material financial interest; (v) approving the dissolution of the Corporation; or (vi) approving a plan of distribution of assets, other than cash, in liquidation when the Corporation has more than one class of voting membership outstanding. Any actions specified in this Section 3.4(c) shall have a special quorum requirement as more fully described in Section 3.7(c).

(f) The notice of any regular, annual, or special meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given. Notices of any annual meeting of Members shall state those matters which the Board, at the time of the giving of the notice, intends to present for action by the Members, but, except as provided from time to time by the Nonprofit Corporation Law, any proper matter may be presented for action at the meeting, provided the number of Members attending the meeting constitutes a quorum and is empowered to vote upon the matter under Section 3.7 below. Notices of any special meetings shall specify the general nature of the business to be transacted thereat and no other business may be transacted except as may from time to time be permitted pursuant to the Nonprofit Corporation Law.

(g) All notices shall be sent by the Secretary or an Assistant Secretary, or if there be no such officer, or in the case of such officer's neglect or refusal to act, by any other officer, or by those persons calling the meeting.

(h) The same procedure for the giving of notice shall apply to the giving of any report to Members.

Section 3.5 Adjournment of Meetings.

Any annual or special meeting of the Members, whether or not a quorum is present, may be adjourned from time to time for up to forty-five (45) days by the vote of a majority of the Members present, but in the absence of a quorum, no other business may be transacted at such meeting, except as provided in Section 3.7 of these Bylaws.

Section 3.6 Voting.

(a) Except as otherwise provided in the Articles of Incorporation and the charters of the committees of the Board or other committees of the Corporation and subject to Sections 2.1, 2.3, and 7.3 herein, each Executive Member shall be entitled to one vote on each matter submitted to a vote of the Executive Members. Vote may be viva voce or by ballot as determined by the presiding officer of the meeting; provided, however, that elections for Directors must be by ballot upon demand made by an Executive Member at the meeting and before the voting begins.

(b) No Executive Member shall be entitled to cumulate such Member's votes for any election of Directors.

Section 3.7 Quorum.

(a) Fifty-one percent (51%) of all Executive Members entitled to vote shall constitute a quorum at any meeting of the Members which was not called to discuss an action enumerated in Section 3.4(e) or Section 10.2(b).

(b) Thirty four percent (34%) of all Executive Members entitled to vote shall constitute a quorum in any vote on a proposal to modify a specification pursuant to Section 10.2(b).

(c) Eighty percent (80%) of all Executive Members entitled to vote shall constitute a quorum at any meeting of the Members which was called to discuss an action enumerated in Section 3.4(e). Approval of an action of the types set forth in Section 3.4(e) is valid only if the general nature of the action was stated in the notice of meeting (or a written waiver of notice) or if approval is by unanimous vote of all the Executive Members entitled to vote.

(d) If a quorum is present, the affirmative vote of a majority of the Executive Members represented at the meeting and entitled to vote on any matter shall be the act of the Executive Members, unless otherwise required by the Articles of Incorporation or the Bylaws of this Corporation or the Nonprofit Corporation Law.

(e) The Executive 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 Executive Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Executive Members required to constitute a quorum.

Section 3.8 Action Without Meeting.

(a) Any action which may be taken at any meeting of Executive Members may be taken without a meeting and without prior notice, if the Corporation distributes a written ballot to every Executive Member entitled to vote on that action, and if (i) the number of votes cast by ballot within the time period specified in the ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(b) Ballots shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Corporation. Ballots shall be delivered either personally or by mail or other means of written communication, addressed to the Executive Members at the address of each such Member appearing on the books of the Corporation or given by the Member for the purpose of receiving notices. If no address appears on the books of the Corporation or has been given to the Corporation, or if ballots are returned by the United States Postal Service as undeliverable, ballots for such Members shall be solicited in a manner consistent with the requirements of the Nonprofit Corporation Law. All such solicitations shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.

(c) Ballots submitted by electronic transmission may be offered as a substitute for written ballots as long as such electronic transmission is (a) delivered by (1) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, which the Corporation has provided from time to time to Members and directors for sending communications to the Corporation, (2) posting on an electronic message board or network which the Corporation has designated for those communications, and which transmission shall be validly delivered upon the posting, or (3) other means of electronic communication, (b) as to which the Corporation has placed in effect reasonable measures to verify that the sender is the Member (in person or by proxy) or director purporting to send the transmission, and (c) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

(d) A written ballot (including an electronic ballot) may not be revoked.

(e) Directors may be elected by written ballot under this section.

Section 3.9 Proxies.

A Member entitled to vote may only do so in person or, if permitted, by written ballot, and may not exercise any voting rights by proxy.

Section 3.10 Form of Written Ballot.

(a) If the Corporation has one hundred (100) or more Members entitled to vote on a matter at the time a written ballot concerning such matter is solicited, the form of any such written ballot shall afford an opportunity on the form of written ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot is distributed, to be acted upon by such written ballot, and shall provide, subject to reasonable specified

conditions, that where the person solicited specifies a choice with respect to any such matter the vote shall be cast in accordance therewith.

(b) In any election of directors, any form of written ballot in which the directors to be voted upon are named therein as candidates and which is marked by an Executive Member “withhold” or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld shall not be voted either for or against the election of a director.

(c) Failure to comply with this section shall not invalidate any action taken by the Corporation, but may be the basis for challenging any written ballot.

Section 3.11 Inspectors of Election.

(a) In advance of any meeting of Members, the Board may appoint inspectors of election to act at the meeting and any adjournment thereof. If inspectors of election are not so appointed, or if any persons so appointed fail to appear or refuse to act, the chairman of any meeting of members may, and on the request of any Member shall, appoint inspectors of election (or persons to replace those who so fail or refuse) at the meeting. The number of inspectors shall be either one or three. If appointed at a meeting on the request of one or more Members, the majority of Members represented shall determine whether one or three inspectors are to be appointed.

(b) The inspectors of election shall determine the number of Executive Memberships outstanding and the voting power of each, the number represented at the meeting, the existence of a quorum, receive votes, ballots or consents, hear and determine all challenges and questions in any way arising in connection with the right to vote, count and tabulate all votes or consents, determine when the polls shall close, determine the result and do such acts as may be proper to conduct the election or vote with fairness to all Members.

(c) The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

Section 3.12 Nomination and Election Procedures.

(a) As to Directors elected by the Executive Members, the Board shall, or if no quorum of the Board exists, the person or persons calling the meeting shall, establish reasonable nomination and election procedures given the nature, size, and operations of the Corporation, including a reasonable means of nominating a person for election as a Director, a reasonable opportunity for a nominee to communicate to the Members the nominee’s qualifications and the reasons for the nominee’s candidacy, a reasonable opportunity for all nominees to solicit votes, and a reasonable opportunity for Members to choose among the nominees. If at any time the Corporation has more than five hundred (500) Members, the Corporation shall comply with the provisions of Sections 7521 through 7523 of the Nonprofit Corporation Law.

(b) Upon written request by any nominee for election to the Board and the payment with such request of the reasonable costs of mailing (including postage), the Corporation shall within ten (10) business days after such request (provided payment has been made) mail to Members, or such portion of them as the nominee may reasonably specify, any material which the nominee may furnish and which is reasonably related to the election; or, in the alternative, and at the option of the Corporation, the

Corporation shall within five (5) business days after the request allow the nominee the right to inspect and/or obtain a copy of the record of all Members' names, addresses and voting rights as provided by Section 8330 of the Nonprofit Corporation Law.

Section 3.13 Order of Business.

The order of business at all meetings of Members shall be as determined by the presiding officer, but the order of business to be followed at any meeting at which a quorum is present may be changed by a vote of the Members.

ARTICLE IV

DIRECTORS

Section 4.1 Powers.

Subject to the limitations stated in the Articles of Incorporation, these Bylaws, and the Nonprofit Corporation Law as to actions which shall be approved by the Executive Members, and subject to the duties of Directors as prescribed by the Nonprofit Corporation Law, all corporate powers shall be exercised by, or under the direction of, and the business and affairs of the Corporation shall be managed by, the Board.

Section 4.2 Number of Directors.

The authorized number of Directors shall be not less than three (3) and not more than thirty-one (31). The authorized number of Directors may only be changed by an amendment to this Section 4.2, duly adopted by not less than sixty-six and two-thirds percent (66 2/3%) of all Executive Members. The term "***all Executive Members***" as used from time to time throughout these Bylaws shall mean one hundred percent (100%) of all Executive Members of the Corporation who are at such time in good standing, regardless whether such Executive Members are present at any relevant meeting of the Corporation or submit written or electronic votes in any relevant vote of the Corporation.

Section 4.3 Composition of Board of Directors.

Pursuant to California Corporations Code Section 7220(d), three Directors shall serve by designation under the rules of Section 4.4. The remaining Directors shall be elected pursuant to Section 4.5. The provisions of this Section 4.3 may not be amended except upon the written consent of each of the three (3) Directors representing the 3C Members.

Section 4.4 3C Board Representatives.

Each of the 3C Members shall designate one (1) Director to serve on the Board. These three (3) Directors must be Representatives of such Executive Members. Each such Member shall have the option to remove the Director it has designated and replace such Director at any time, with or without cause. No other entity or entities, including the Executive Members or the Board, shall have any right to remove a Director designated pursuant to this Section 4.4, unless such removal is for cause pursuant to Section 4.7(a); in the event of a removal pursuant to Section 4.7(a) the respective Member shall designate a different Director. Each of these Directors shall serve a two (2) year term unless sooner removed by the respective Member such Director was designated by. At the end of each such Director's term, or upon the resignation or cessation of service on the Board by such Director for any reason, the Member who originally designated such Director shall be entitled to re-designate such Director or any other person for

another term, or appoint and designate another Representative of such Executive Member as a successor to such Director for the remaining term, as the case may be. Each such Member shall be entitled to designate an Alternate Director (as such term is defined in Section 4.5(a)); provided that such Alternate Director meets the requirements to serve as a Director. The provisions of this Section 4.4 may not be amended except upon the written consent of each of the three (3) Directors representing the 3C Members.

Section 4.5 Election, Term of Office, and Qualifications.

(a) Each Director shall have an alternate to serve in the capacity of Director in the event of the death, resignation, removal, or absence of the Director; such alternate shall be referred to as an “*Alternate Director*”. When serving in the capacity of Director, the Alternate Director shall have all the rights, privileges and responsibilities of the Director. Alternate Directors shall be entitled to attend all regular and special meetings of the Board and shall have all rights (including voting rights) of the Director in the absence of the Director.

(b) In the event that the Alternate Director is serving as a director due to the absence of the Director, such Director shall regain all of the rights, privileges and responsibilities of director status upon the termination of his absence. In the event that the Alternate Director is serving as a director due to the death, resignation, or removal of the Director, the Alternate Director shall immediately become a Director, and the corresponding position of Alternate Director shall become vacant.

(c) The Directors (and their accompanying Alternate Directors) shall be elected at an annual meeting of Executive Members, by written ballot, electronic ballot or in some other manner authorized by the Nonprofit Corporation Law (other than those designated pursuant to Section 4.4, which shall be designated pursuant to the provisions of such Section 4.4). Each candidate for a Director position shall run for election with a candidate for the Alternate Director position corresponding to that Director. The provisions of this Section 4.5(c) may not be amended except by a vote of not less than sixty-six and two-thirds percent (66 2/3%) of all Executive Members.

(d) The terms of the Directors (and their accompanying Alternate Directors) shall be two (2) years or until such Director’s (and the accompanying Alternate Director’s) successor is elected and qualified, or the Executive Members declare such Director’s and/or Alternate Director’s position to be vacant. In the event of the death, resignation, or removal of the Director, the Alternate Director shall serve out the remainder of the Director’s term.

(e) Each Director and Alternate Director must be a Representative of an Executive Member in order to be eligible to serve as a Director or Alternate Director. The Executive Member or Subsidiary Participant of such Executive Member employing such Director and Alternate Director must make efforts to use the Specifications as a standard for flash memory cards with security features to prevent unauthorized use or copying.

(f) If a Director or Alternate Director elected by the Executive Members was a Representative of an Executive Member at the time of his or her election to the Board, and subsequently ceases to be a Representative of such Executive Member and becomes a Representative of another Executive Member (which is not a member of a Related Entity with a Representative who is serving as a Director or Alternate Director), then that Director or Alternate Director shall be subject to reconfirmation by the Executive Members, at a meeting of the Executive Members which shall be held no later than the first general meeting of this organization following the event triggering application of this section. If that Director or Alternate Director is not reconfirmed by the Executive Members, that Director or Alternate Director shall automatically be removed from office and the resulting vacancy shall be filled in an election by the Executive Members, at the next meeting of the Executive Members.

(g) If a Director or Alternate Director elected by the Executive Members was a Representative of an Executive Member at the time of his or her election to the Board, and subsequently ceases to be a Representative of such Executive Member and becomes a Representative of a non-member, a General Member or of an Executive Member which is a member of a Related Entity with a Representative who is then currently serving as a Director or Alternate Director, then such Director or Alternate Director who has changed employment shall automatically be removed from office and the resulting vacancy shall be filled in an election by the Executive Members, at a meeting of the Executive Members which shall be held no later than the first general meeting of the Corporation following the event triggering application of this section.

(h) In the event that a Director and the Director's corresponding Alternate Director is unable to attend a meeting of the Board, the Director shall be entitled to have an observer attend that meeting, provided that the Director has obtained the prior approval of a majority of the Directors then in office. An observer attending at the request of the Director shall have no right to participate or vote at the meeting.

(i) All other provisions of these Bylaws, and procedures relating to Directors, apply equally to the Alternate Directors as to the Directors (when such Alternate Directors are serving as Directors), unless otherwise noted. All references to the Board, and to Directors in general, shall be deemed to include any Alternate Director serving in the capacity of a Director.

Section 4.6 Resignation.

Any Director or Alternate Director may resign at any time by giving written notice of such resignation to the Chairman of the Board, the President, the Secretary or the Board of the Corporation. Such resignation shall take effect at the time specified in the notice; provided, however, that if the resignation is not to be effective upon receipt of the notice by the Corporation, the Corporation must accept the effective date specified. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

Section 4.7 Removal.

(a) The Board may declare vacant the office of a Director or Alternate Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or, in case the Corporation is holding assets in charitable trust, been found by a final order or judgment to have breached any duty arising as a result of Section 7238 of the Nonprofit Corporation Law. In addition, the Board may declare vacant the office of a Director and such Director's Alternate Director in the event that neither has attended three (3) consecutive regularly scheduled Board meetings.

(b) The Executive Members may remove a Director or Alternate Director without cause by holding a meeting in compliance with the notice provisions of Section 3.4(c) and the quorum requirements of Section 3.7(b), subject to the provisions of Section 4.4.

(c) No reduction of the authorized number of Directors or Alternate Directors shall have the effect of removing any Director or Alternate Director prior to the expiration of such Director's or Alternate Directors term of office.

Section 4.8 Vacancies.

(a) A vacancy in the Board shall be deemed to exist in case of the death, resignation or removal of any Director or Alternate Director, or if the authorized number of Directors and Alternate

Directors is increased, or if the Executive Members declare vacant the position of any Director or Alternate Director whose term has expired.

(b) Vacancies on the Board, other than a vacancy created by the removal of a Director or Alternate Director, may be filled by the vote of a majority of the Directors then in office. The term of a Director or Alternate Director so elected shall be the unexpired portion of the term of the Director or Alternate Director, if any, that the Director or Alternate Director so elected is replacing. Any such newly elected Director or Alternate Director must meet all qualifications listed in 4.5(e).

(c) The Executive Members may elect a Director or Alternate Director at any time to fill any vacancy not filled by the Board, including a vacancy resulting from the removal of a Director or Alternate Director by the Executive Members. Any such newly elected Director or Alternate Director must meet all qualifications listed in 4.5(e).

Section 4.9 Organization Meeting.

Immediately after each annual meeting of Members, the Board shall hold a regular meeting for the purpose of organization, the election of officers and the transaction of other business. No notice of such meeting need be given.

Section 4.10 Other Regular Meetings.

In addition to the organization meeting, the Board shall have a minimum of two (2) regular meetings each calendar year. The Board may provide by resolution the time and place for the holding of regular meetings of the Board; provided, however, that if the date so designated falls upon a legal holiday, then the meeting shall be held at the same time and place on the next succeeding day which is not a legal holiday. No notice of such regular meetings of the Board need be given.

Section 4.11 Calling Meetings.

Regular or special meetings of the Board (other than regular meetings held pursuant to Sections 4.7 and/or 4.8 of these Bylaws) shall be held whenever called by the Chairman of the Board or the President or any two (2) Directors of the Corporation.

Section 4.12 Place of Meetings.

Meetings of the Board shall be held at any place within or without the State of California which may be designated in the notice of the meeting, or, if not stated in the notice or if there is no notice, designated by resolution of the Board. In the absence of such designation, meetings of the Board shall be held at the principal office of the Corporation.

Section 4.13 Telephonic Meetings.

Members of the Board may participate in special meetings through use of conference telephone or similar communications equipment, so long as all members participate in such meeting can hear one another. Participation in a meeting pursuant to this Section 4.13 constitutes presence in person at such meeting. Directors shall be required to attend regular meetings in person.

Section 4.14 Notice of Special Meetings.

Written notice of the time and place of special meetings of the Board shall be delivered personally to each Director, or sent to each Director by first class mail, telephone, telegraph, facsimile, or electronic mail transmission in compliance with Section 3.4(b) above. In case such notice is sent by mail, it shall be deposited in the mail at least four (4) days prior to the time of the holding of the meeting. In case such notice is delivered personally, or by telephone, telegraph, facsimile or electronic mail transmission, it shall be so delivered at least forty-eight (48) hours prior to the time of the holding of the meeting. Such notice may be given by the Secretary of the Corporation or by the persons who called said meeting. Such notice need not specify the purpose of the meeting. Notice shall not be necessary if appropriate waivers, consents and/or approvals are filed in accordance with Section 4.15 of these Bylaws.

Section 4.15 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 of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Directors, or of a committee of Directors, need be specified in any such waiver, consent or approval.

Section 4.16 Action Without Meeting.

Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors.

Section 4.17 Quorum.

The majority of the total number of Directors then in office shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board, unless the Articles of Incorporation, these Bylaws, or the Nonprofit Corporation Law specifically requires a greater number. In the absence of a quorum at any meeting of the Board, a majority of the Directors present may adjourn the meeting as provided in Section 4.18 of these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of enough Directors to leave less than a quorum, if any action taken is approved by at least a majority of the required quorum for such meeting.

Section 4.18 Adjournment.

Any meeting of the Board, whether or not a quorum is present, may be adjourned to another time and place by the vote of a majority of the Directors present. 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 4.19 Inspection Rights.

Every Director shall have the absolute right at any reasonable time to inspect, copy and make extracts of, in person or by agent or attorney, all books, records and documents of every kind and to inspect the physical properties of the Corporation.

Section 4.20 Fees and Compensation.

Directors shall not receive any stated salary for their services as Directors, but, by resolution of the Board, a fixed fee may be allowed for attendance at each meeting. Directors may be reimbursed in such amounts as may be determined from time to time by the Board for expenses paid while acting on behalf of the Corporation and/or expenses incurred in attending meetings of the Board. Nothing herein contained 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 therefor.

Section 4.21 Licensing Agreements.

A majority of the Board Members shall be empowered on behalf of the Corporation to enter into one (1) or more licensing agreements with Members and/or third parties respecting, among other things, the Corporation's intellectual property, including its trademarks, service marks, logos, copyrights and the like.

ARTICLE V

EXECUTIVE COMMITTEE AND OTHER COMMITTEES

Section 5.1 Executive Committee.

The Board may, by resolution adopted by not less than sixty-six and two-thirds percent (66 2/3%) of the Directors then in office, create an Executive Committee, consisting of seven (7) or more Directors and no persons who are not Directors (the "*Executive Committee*"). The Board may designate one or more Directors as alternate members of such committee, who may replace any absent member of any meeting of the committee. The Executive Committee, subject to any limitations imposed by the Nonprofit Corporation Law, or imposed by the Articles of Incorporation, by these Bylaws, and/or the Board, shall have and may exercise all of the powers of the Board which are delegated to the Executive Committee from time to time by the Board; provided, however, that the Executive Committee shall have no authority with respect to:

- (a) The approval of any action which also requires approval of the Executive Members.
- (b) The filling of vacancies on the Board or on any committee thereof.
- (c) The fixing of compensation of the Directors for serving on the Board or on any committee thereof.
- (d) The adoption, amendment or repeal of Bylaws.
- (e) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.

- (f) The appointment of committees of the Board or the members thereof.
- (g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.
- (h) The approval of any self-dealing transaction within the meaning of Section 5233 of the Nonprofit Corporation Law (except as otherwise permitted by subdivision (d) thereof).

Section 5.2 Membership Committee.

The Membership Committee shall have sole and exclusive responsibility for processing applications for membership in the Corporation. The Membership Committee shall be comprised of up to five (5) Directors elected by the Board. The Membership Committee shall have exclusive jurisdiction to determine whether an applicant meets the membership criteria enumerated in Sections 2.2 and/or 2.4 above. Any decisions on whether an applicant qualifies for membership under Sections 2.2 or 2.4 shall be by a majority of the members of the Membership Committee then in office and in accordance with Section 2.11. The Chair of this Committee shall be elected by the Board. The Chair's term shall be for one (1) year, or such other length of term as the Board shall determine.

Section 5.3 Technical Committee.

The Technical Committee shall have responsibility for ensuring that the Specifications are developed to their highest potential. The Technical Committee will create recommendations regarding amending the Specifications as provided in Section 10.1. The members of the Technical Committee, and/or any working groups thereof with voting rights with respect thereto shall be limited to the Representatives of the Executive Members delegated pursuant to Section 2.3 above and subject to the restrictions in Section 2.1 above. Representatives of General Members and Subsidiary Participants may attend the meetings of the Technical Committee and/or any working groups thereof as non-voting observers. The Technical Committee shall have the right to form working groups of the Technical Committee. The Chair of the Technical Committee shall be elected by the Board. The Chair's term shall be for one (1) year, or for such other length of term as the Board shall determine.

Section 5.4 Marketing Committee.

The Marketing Committee shall have responsibility for ensuring that the Specifications are promoted to such an extent that they achieve worldwide acceptance and adoption. The members of the Marketing Committee, and/or any working groups thereof with voting rights with respect thereto shall be limited to the Representatives of the Executive Members delegated pursuant to Section 2.3 above and subject to the restrictions in 2.1 above. The Marketing Committee shall have the right to form working groups of the Technical Committee. Representatives of General Members and Subsidiary Participants may attend the meetings of the Marketing Committee and/or any working groups thereof as non-voting observers. The Chair of the Marketing Committee shall be elected by a majority of the Board. The Chair's term shall be for one (1) year, or for such other length of term as the Board shall determine.

Section 5.5 Advisory Board

The Advisory Board shall have responsibility for advising the Executive Members and/or the Technical Committee to insure that the Specifications receive worldwide acceptance and adoption from the content-providing community. Members of the Advisory Board shall be Representatives of Executive Members who are selected by a majority of the Board and designated pursuant to Section 2.3 above. The

Chair of the Advisory Board shall be elected by a majority of the Board, and such Chair's term shall be for one (1) year or for such other length of term as the Board shall determine.

Section 5.6 Other Committees of Directors.

The Board may, by resolution adopted by a majority of the Directors then in office, create such other committees of Directors, each consisting of two (2) or more Directors appointed by the Board, as it may from time to time deem advisable to perform such general or special duties as may from time to time be delegated to any such committee by the Board, subject to the limitations contained in the Nonprofit Corporation Law, or imposed by the Articles of Incorporation or by these Bylaws (including, but not limited to, Section 5.1(a) through (h) above). The Board may designate one or more Directors as alternate members of any committee, who may replace any absent member at any meeting of the committee.

Section 5.7 Other Committees.

The Board or the President may appoint committees composed of non-Directors or of Directors and non-Directors, as the Board or the President deems advisable, to perform such general or special duties pertaining to the Corporation's management, activities or affairs, provided that the activities and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, under the ultimate direction of the Board and provided further that committees appointed pursuant to this Section 5.3 shall not have the authority of the Board. The Chair of these other committees will be elected by the Board, and such Chair's term shall be for one (1) year or for such other length of term as the Board shall determine.

Section 5.8 Meetings.

Except as otherwise provided in these Bylaws (including, without limitation, Article X) or by resolution of the Board, each committee shall adopt its own charters, including rules governing the time and place of holding and the method of calling its meetings and the conduct of its proceedings and shall meet as provided by such charters, and it shall also meet at the call of any voting member of the committee. Unless otherwise provided by such charters or by resolution of the Board, committee meetings shall be governed by Sections 2.1, 2.3, 4.10, 4.11, 4.12, and 4.13 of these Bylaws.

Section 5.9 Term of Office of Committee Members.

Members of committees shall serve at the pleasure of the Board.

Section 5.10 Membership in More than One Committee.

Any Member may serve in an unlimited number of committees, assuming such Member meets the qualifications for such committee.

ARTICLE VI

OFFICERS

Section 6.1 Officers.

The officers of the Corporation shall be a Chairman of the Board, a President, a Secretary, and a Treasurer, who shall be the Chief Financial Officer of the Corporation. The Corporation may also have, at the discretion of the Board, one or more additional Vice Presidents, one or more Assistant Secretaries,

and such other officers as may be appointed in accordance with the provisions of Section 6.3 below. One person may hold two or more offices.

Section 6.2 Election and Term.

The officers of the Corporation shall be chosen by the Board and shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment. Officers need not be chosen from among the Directors.

Section 6.3 Subordinate Officers, etc.

The Board may appoint such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

Section 6.4 Resignation.

Any officer may resign at any time by giving written notice to the Corporation, subject to the rights, if any, of the Corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6.5 Vacancies.

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

Section 6.6 Chairman of the Board.

The Chairman of the Board, if present, shall preside at all meetings of the Board, and exercise and perform such other powers and duties as may be from time to time assigned to the Chairman of the Board by the Board or prescribed by these Bylaws. The term of the Chairman of the Board shall be two (2) years.

Section 6.7 President.

Subject to such supervisory powers, if any, as may be given by the Board to the Chairman of the Board, if there be such an officer, the President shall be the General Manager and Chief Executive Officer of the Corporation and shall, subject to the control of the Board, provide general supervision, direction, and control of the business and officers of the Corporation. In the Chairman's absence, the President shall preside at all meetings of the Members. The President, unless elected as a Director, shall be ex officio a member of the Board and of all the standing committees, including the Executive Committee.

The President shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board or by these Bylaws.

The duties of the President shall include the establishment of a Licensing Department of the Corporation, which can be outsourced to a third party as approved by the Board and which shall be responsible for (i) facilitating the granting of licenses by the Corporation to third parties respecting certain Specifications and certain intellectual property rights associated therewith, (ii) collecting membership

dues, license fees and other fees due from Members and others respecting the Corporation and/or the aforesaid licenses, and (iii) such other duties related to the foregoing as the President shall hereafter specify.

Section 6.8 Vice President.

In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board, or if not ranked, the Vice President designated by the Board, shall perform the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board or these Bylaws.

Section 6.9 Secretary.

(a) The Secretary shall keep, or cause to be kept, a book of minutes in written form of the proceedings of the Board, committees of the Board, and Members. Such minutes shall include all waivers of notice, consents to the holding of meetings, or approvals of the minutes of meetings executed pursuant to these Bylaws or the Nonprofit Corporation Law. The Secretary shall keep, or cause to be kept at the principal office a record of the Corporation's Members, giving the names and addresses of all Members.

(b) The Secretary shall give or cause to be given, notice of all meetings of the Members and of the Board required by these Bylaws or by law to be given, and shall cause the seal of the Corporation to be kept in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws.

Section 6.10 Treasurer and Chief Financial Officer.

(a) The Treasurer and Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of account in written form or any other form capable of being converted into written form.

(b) The Treasurer and Chief Financial Officer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. The Treasurer shall disburse all funds of the Corporation as may be ordered by the Board, shall tender to the President and Directors, whenever they request it, an account of all of the Treasurer's transactions as Treasurer and Chief Financial Officer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board or by these Bylaws.

Section 6.11 Assistant Secretary.

The Assistant Secretary, if there shall be such an officer, shall have all the powers, and perform all the duties of, the Secretary in the absence or inability of the Secretary to act, and may otherwise assist the Secretary upon request.

Section 6.12 Compensation.

The compensation, if any, of the officers shall be fixed from time to time by the Board, and no officer shall be prevented from receiving such compensation by reason of the fact that the officer is also a Director of the Corporation.

ARTICLE VII

BOOKS AND RECORDS

Section 7.1 Books and Records.

The Corporation shall keep adequate and correct books and records of account, minutes of the proceedings of the Members, the Board and committees of the Board, and a record of the Members and non-voting members giving their names and addresses and the class of membership held by each.

Section 7.2 Form of Records.

Minutes shall be kept in written form. Other books and records shall be kept either in written form or in any other form capable of being converted into written form. If any record subject to inspection pursuant to the Nonprofit Corporation Law is not maintained in written form, a request for inspection is not complied with unless and until the Corporation at its expense makes such record available in written form.

Section 7.3 Record Date.

(a) The Board may fix, in advance, a time in the future as the record date for the determination of Members entitled to notice of any meeting, to vote, to cast written ballot, or to exercise any rights in respect of any other lawful action. Said record date shall not be more than sixty (60) days prior to the date of such vote, ballot or other exercise of rights, except that the record date for notice of a meeting shall not be more than ninety (90) nor less than ten (10) days prior to the meeting date.

(b) A determination of Members of record entitled to notice of or to vote at a meeting of Members shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting.

(c) If no record date is fixed by the Board, the record date shall be fixed in accordance with the Nonprofit Corporation Law.

Section 7.4 Reports to Directors, Members, and Others.

The Board shall cause such reports to be prepared and distributed as may be required by Sections 8321, 8322, and such other relevant provisions of the Nonprofit Corporation Law as shall require reports to be filed.

ARTICLE VIII

GRANTS, CONTRACTS, LOANS, ETC.

Section 8.1 Grants.

The making of grants and contributions, and otherwise rendering financial assistance for the purposes of the Corporation, may be authorized by the Board. The Board may authorize any officer or officers, agent or agents, in the name of and on behalf of the Corporation to make any such grants, contributions or assistance.

Section 8.2 Execution of Contracts.

The Board may authorize any officer, employee or agent, in the name and on behalf of the Corporation, to enter into any contract or execute and satisfy any instrument, and any such authority may be general or confined to specific instances, or otherwise limited. In the absence of any action by the Board to the contrary, the President shall be authorized to execute such instruments on behalf of the Corporation.

Section 8.3 Loans.

The President or any other officer, employee or agent authorized by the Board may effect loans and advances at any time for the Corporation from any bank, trust company or other institutions or from any firm, corporation or individual and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of the Corporation, and when authorized by the Board so to do, may pledge and hypothecate or transfer assets of the Corporation as security for any such loans or advances. Such authority conferred by the Board may be general or confined to specific instances or otherwise limited.

Section 8.4 Checks, Drafts, Etc.

All checks, drafts and other orders for the payment of money out of the funds of the Corporation and all notes or other evidences of indebtedness of the Corporation shall be signed on behalf of the Corporation in such manner as shall from time to time be determined by resolution of the Board.

Section 8.5 Deposits.

The funds of the Corporation not otherwise employed shall be deposited from time to time to the order of the Corporation in such banks, trust companies, or other depositories as the Board may select or as may be selected by an officer, employee or agent of the Corporation to whom such power may from time to time be delegated by the Board.

ARTICLE IX

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 9.1 Indemnification by Corporation.

(a) For the purposes of this ARTICLE IX, “*agent*” means any person who is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; “*proceeding*” means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and “*expenses*” includes without limitation attorneys’ fees and any expenses of establishing a right to indemnification.

(b) The Corporation shall, to the fullest extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding.

(c) In the event entitlement to indemnification is required by law to be based upon a determination by the Board or the Members that the agent has met the standards of conduct prescribed by

law, the agent may select which body shall, or that both bodies shall, make such determination, and such body shall meet and shall reach a determination on the issue within a reasonable period of time after request for such body to meet is received by the Corporation from the agent.

Section 9.2 Advancing Expenses.

The Corporation shall advance to each agent the expenses incurred in defending any proceeding referred to in Section 9.1 of these Bylaws prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in Section 9.1 of these Bylaws.

Section 9.3 Insurance.

The Corporation shall have power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of this section.

ARTICLE X

PROCEDURE FOR MODIFICATIONS TO THE SPECIFICATIONS

Section 10.1 Procedures of the Technical Committee.

The following procedures for adopting modifications to the Specifications shall apply:

(a) The Technical Committee shall make a formal written recommendation to all Executive Members and General Members as to proposed amendments or modifications to the Specifications (a "**Proposal**").

(b) In making a recommendation as to any Proposal which (i) modifies the Specifications in such a manner as to in any way eliminate, reduce, alter, or modify the backward compatibility of the Specifications, or (ii) modifies the Specifications in such a manner as to in any way alter, modify, reduce, or eliminate the existing security features thereof, the Technical Committee shall specifically identify the Proposal as such to all Executive Members and General Members, and the approval requirement shall be as set forth in Section 10.2(d). In the event that such Proposal does not make any such modifications, the quorum and approval requirement shall be as set forth in Section 3.7(b). The Technical Committee shall be responsible for determining whether the Proposal modifies the Specifications so as to effect backward compatibility or security features.

(c) Following the distribution of the Proposal, there shall be a comment period, of a length to be determined by the Board, during which time all Executive Members and General Members shall have the opportunity to comment on the Proposal.

(d) Following the comment period, the Technical Committee shall have the discretion to modify the Proposal based upon the comments it has received.

(e) If further modifications are made as provided in Section 10.1(d) above, the Technical Committee shall submit the modified Proposal to all Executive Members and General Members for reconsideration as outlined in Sections 10.1(b) through 10.1(e).

Section 10.2 Procedures of the Executive Members.

(a) In the event that the Technical Committee chooses not to make further modifications as provided in Section 10.1(e), then the Executive Members shall vote upon a Proposal by the Technical Committee. The Executive Members must accept or reject the recommendation in its entirety; the Executive Members may not modify or amend the recommendation.

(b) In the event that a majority of the Executive Members vote to adopt the Proposal, the Proposal shall be adopted by the Corporation, subject to the quorum requirement of Section 3.7(b).

(c) In the event that the recommendation fails to obtain a majority of the votes of the Executive Members, the recommendation shall be rejected by the Corporation, subject to the quorum requirement of Section 3.7(b).

(d) Notwithstanding any provision to the contrary contained in these Bylaws, no Proposal which (i) modifies the Specifications in such a manner as to in any way eliminate, reduce, alter, or modify the backward compatibility of the Specifications, or (ii) modifies the Specifications in such a manner as to in any way alter, modify, reduce, or eliminate the security features thereof shall be valid for any purpose unless the written consents of at least eighty percent (80%) of all Executive Members have been obtained.

(e) Executive Members may vote on a Proposal via written ballot, ballot submitted by electronic transmission, by voice at a meeting, or through any other means adopted by a resolution of the Board, consistent with the requirements of Article III.

Section 10.3 Amendment to Article X.

No amendment to or modification of this Article X shall be valid unless approved by a vote of not less than eighty percent (80%) of all Executive Members.

Section 10.4 Authority of the Board.

Notwithstanding the provisions and procedures of this ARTICLE X, the Board shall have the right, in its sole discretion, to: (a) approve and/or comment on any Proposal at any time during the procedures set forth in this ARTICLE X, and (b) request that the Technical Committee revise Proposals and resubmit such modified Proposals to the Executive Members and General Members as provided herein at any time during the procedures set forth in this ARTICLE X. Furthermore, the Board shall have the right to evaluate and modify the procedures in this ARTICLE X and establish and adopt alternate procedures to those procedures set forth in this ARTICLE X; provided that such modifications or alternate procedures are approved pursuant to Section 10.3 above.

ARTICLE XI

SEAL AND FISCAL YEAR

Section 11.1 Seal.

The Board may adopt a corporate seal which shall be in the form of a circle and shall bear the full name of the Corporation and the year and state of its incorporation.

Section 11.2 Fiscal Year.

The fiscal year of the Corporation shall be determined, and may be changed, by resolution of the Board.

ARTICLE XII

AMENDMENTS

Section 12.1 Joint Action by Members and Directors.

A vote by both the Executive Members pursuant to Section 12.2 and the Board pursuant to Section 12.3 shall be necessary to adopt, amend or repeal Articles of Incorporation or Bylaws of the Corporation. Upon a vote by both the Executive Members and the Board in accordance with Section 12.2 and Section 12.3 the Articles of Incorporation or the Bylaws shall be adopted, amended or repealed by the Corporation.

Section 12.2 Vote of Members.

Except as otherwise provided by these Bylaws, by law or by the Articles of Incorporation, Articles of Incorporation or Bylaws may be adopted, amended or repealed by the affirmative vote of a two thirds (2/3) majority of the entire body of Executive Members. Such two thirds (2/3) majority is of the entire Executive Membership, not solely a two thirds (2/3) majority of a quorum.

Section 12.3 Vote of Directors.

Except as otherwise provided by law or by the Articles of Incorporation, Articles of Incorporation or Bylaws may be adopted, amended or repealed by the affirmative vote of a two thirds (2/3) majority of the entire body of the Board. Such two thirds (2/3) majority is of the entire Board, not solely a two thirds (2/3) majority of a quorum.

SD CARD ASSOCIATION

I hereby certify:

That I am the duly elected President of SD Card Association, a California corporation;

That the foregoing Third Amended and Restated Bylaws comprising twenty-____ (__) pages, constitute the Bylaws of said corporation as duly approved by the Board of Directors of the Corporation on _____.

IN WITNESS WHEREOF, I have hereunder subscribed my name this ____ day of _____.

_____, President

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