

**THE
BYLAWS
of
THE ARIZONA POWER EXCHANGE CORP.
An Arizona Non-Profit Corporation**

ARTICLE 1: NAME AND REGISTERED OFFICE

Section 1.01: NAME

The name of this Corporation shall be The Arizona Power Exchange Corp., a non-profit Corporation organized in accordance with the laws of the State of Arizona. The Arizona Power Exchange Corp. may also conduct business using the d.b.a. "APEX."

Section 1.02: REGISTERED OFFICE

The Corporation shall maintain its registered office in the State of Arizona and at such place as the Board of Directors from time to time shall determine.

ARTICLE II: CORPORATE PURPOSES

Section 2.01: PURPOSES

The purposes for which this Corporation is organized are as follows: the operation of a club the objective of which is for its members to be bound together for the common purpose of pleasure, recreation, education, studying and experiencing alternative lifestyle relationships, and other similar non-profitable purposes.

Section 2.02: CLUB MEMBERSHIP

Membership in the club shall consist of the Founders, the Board of Directors and the following classes of members:

- i. General Members (voting) – members who are current on their dues as of the 1st day of October, 2001 initially, thereafter those members that are current on their dues as of January 1 of each year.
- ii. Affiliate Members (non-voting) – dues paying members that are current on their dues, however whose interest is that of a vendor or supplier of goods and services to the organization or its membership.
- iii. Honorary Members (non-voting) – non-dues paying membership extended by the Board of Directors to individuals interested in the same common purpose as General or Affiliated Members and have provided exceptional services to the organization and its Members.

ARTICLE III: BOARD OF DIRECTORS

Section 3.01: AUTHORITY AND NUMBER

The affairs, business and property of the Corporation shall be managed and controlled by its Board of Directors, numbering not less than four (4), nor more than nine (9) members who need not be residents of this State, nor an Officer or Member of this Corporation if this Corporation elects to have Members, but must be a General Member, in good standing, of the club or clubs operated by this Corporation.

The Board of Directors shall be responsible for the setting the overall policy and direction of the Corporation, and may delegate responsibility for day-to-day operations to any of the Officers and to any committees. The Board shall establish policies regarding corporate operations, educational, scientific, social, and support activities.

The Board of Directors shall approve or deny any applications for membership at its regularly scheduled Board Meetings.

The Board of Directors shall be responsible for producing an annual report that outlines the progress made during the previous year toward meeting the mission statement and other stated plans, goals and objectives.

The Directors shall have the duty to see that there are adequate fundraising activities to support the financial needs of the Corporation.

Section 3.02: ELECTIONS AND TERM OF OFFICE

Each person named in the Articles of Incorporation as a member of the initial Board of Directors shall hold office until the First Annual Meeting of the Board of Directors, and until his/her successor shall have been elected and qualified or until his/her earlier resignation, removal from office or death.

At the First Annual Meeting of Board of Directors and at each annual meeting thereafter, the Board of Directors shall elect Directors to hold office for the specified term. Each Director shall hold office for his/her term for which he/she is elected and until his/her successor shall have been elected and qualified or until his/her earlier resignation, removal from office or death.

No less than thirty (30) days prior to but no more than sixty (60) days prior to the annual meeting, the Board of Directors shall hold a special meeting for the purpose of determining the number of Directors offices for that year.

Section 3.02(A): CHAIRMAN OF THE BOARD

At the First Meeting of the Board of Directors and at each Annual Meeting thereafter, the Directors shall entertain nominations from the Directors for the office of Chairman of the Board. The Chairman shall hold the office until the next Annual Meeting or until his/her resignation, removal from office or death. If the Chairman of the Board resigns, is removed from office or deceases prior to the expiration of the term of

office, the Vice Chairman shall hold the office of the Chairman of the Board until the next Annual Meeting of the Board of Directors. The Chairman shall be elected by a majority of the votes cast in a secret ballot by the Directors. The Director so elected shall immediately assume the office of Chairman. A Director that is elected as the Chairman of the Board will not have voting rights at the meetings of the Board of Directors however will have the authority to cast his or her vote should the Board of Directors become deadlocked on any issues or to replace or remove any person currently sitting on the Board of Directors.

Section 3.02(A)(1): DUTIES OF THE CHAIRMAN OF THE BOARD

The Chairman of the Board shall preside at all meetings of the Board of Directors of the Corporation, and shall have such other powers and duties not inconsistent with these By-laws as may be assigned to him or her from time to time by the Board of Directors. The Chairman shall set the agenda, convene regularly scheduled Board meetings. The Chairman shall also hold the office of Chair of the Executive Committee.

Section 3.02(B): VICE CHAIRMAN OF THE BOARD

At the First Meeting of the Board of Directors and at each Annual Meeting thereafter, the Directors shall entertain nominations from the Directors for the office of Vice Chairman of the Board. The Vice Chairman shall hold the office until the next Annual Meeting or until his/her resignation, removal from office or death. If the Chairman of the Board resigns, is removed from office or deceases prior to the expiration of the term of office, the Vice Chairman shall hold the office of the Chairman of the Board until the next Annual Meeting of the Board of Directors. Upon the Vice Chairman assuming the office of the Chairman of the Board the Directors shall entertain nominations from the Directors to fill the vacancy in the office of Vice Chairman of the Board. The Vice Chairman shall be elected by a majority of the votes cast in a secret ballot by the Directors. The Director so elected shall immediately assume the office of Vice Chairman.

Section 3.02(A)(1): DUTIES OF THE VICE CHAIRMAN OF THE BOARD

The Vice-Chairman of the Board shall act in the absence of the Chairman, and shall have such other powers and duties not inconsistent with these By-laws as may be assigned to him or her from time to time by the Board of Directors. The Vice Chairman shall also hold the office of Chair of the Bylaws Committee.

Section 3.03: TERM OF OFFICE

Each Director elected shall serve two-year staggered terms and are eligible for re-election.

Section 3.04: MANNER AND FREQUENCY OF MEETINGS

In addition to the Annual Meeting, the Board of Directors shall meet a minimum of three (3) times per year for a total of four (4) meetings per year.

The Roberts Rules of Order, newly revised, shall govern the conduct of all Board of Directors meetings if the Bylaws do not state otherwise. If any conflicts arise between the Roberts Rules of Order, newly revised, and the Bylaws, the Bylaws shall be controlling.

All meetings of the Board of Directors shall be open to the General Members except for any portion of the meeting that the Board votes to go into Executive Session to discuss personnel or legal issues.

The Board of Directors may refer any item to a vote of the General Members by a majority vote of the Board.

Attendance at a meeting of the Board of Directors may be by electronic means to include but not limited to conference calls, teleconferencing, or other electronic media that permits Directors not present to fully participate in the agenda items for that meeting.

Section 3.05: RESIGNATION

Any Director may resign at any time by delivering a written resignation to the Chairman of the Board.

Section 3.06: REMOVAL

Any Director may be removed at any time, with or without cause, by a majority vote of the Board of Directors, excluding the Director or Directors that is/are the subject of the removal action. It shall be the responsibility of the Board of Directors to remove any Director who is not active in Board duties, or who fails to assume the responsibilities of his/her assigned duties.

Section 3.07: VACANCIES

A vacancy on the Board Of Directors created by the death, resignation, removal or otherwise, shall be filled by a majority vote of the Board of Directors, for the unexpired portion of the term. A Special Meeting of the Board of Directors shall be held in order to fill any vacancies. Notice shall be given no more than sixty days prior and no less than thirty days prior to the Special Meeting. Any vacancy created by reason of an increase in the number of directors shall be filled by the Board of Directors. Nominations for all vacancies shall be made by the remaining Board of Directors and shall be delivered to the Secretary two weeks in advance of the Special Meeting. Any nominated individual must show a track record of professional conduct, skills of value to the Board of Directors, and contributions to the lifestyle community.

Section 3.08: SPECIAL MEETINGS

A special meeting of the Board of Directors may be called by, or at the request of, any officer of the Corporation, the Chairman of the Board, or by any two or more executive committee members or by a request by the majority of the Board of Directors made to the Secretary. The person or persons authorized to call such special meetings shall fix the time and place of such special meeting, and taking into consideration the proximity and convenience to all such affected board members. Notice of such Special Meetings shall be in accordance with the notice provisions of Section 3.10 hereof.

Section 3.09: ANNUAL MEETINGS

Annual meetings of the Board of Directors shall be held on the 2nd Tuesday of November each year, or if such day be a legal holiday, or weekend, such meeting shall be held on the next succeeding business day. Said annual meeting shall be held for the purpose of appointing the officers of the Corporation, appointing directors to fill any expired terms of office or fill any additional offices created by the Board of Directors, establishing the membership fee structure for the upcoming year, and the transaction of any other business that may come before the board.

Section 3.10: NOTICE

Notice of any meeting provided under these Bylaws shall be given at least ten days prior to the date fixed for such meeting by written notice personally delivered or sent by Certified Mail, telegram or wire, Federal Express, or e-mail return receipt requested, to the last known address of each director as shown in the records of the Corporation. If such notice is given by mail, it is deemed delivered when deposited with the United States Postal Service, properly addressed with postage prepaid, if given by telegraph or wire or Federal Express, such notice is deemed delivered when received by the recipient, or if given by e-mail such notice is deemed delivered when sent. Any director may waive notice of any meeting by personally attending, unless such attendance is for the express purpose of objecting to the legality of such meeting. A waiver of notice may be obtained if all the Directors unanimously agree to the waiver and sign the Notice of Waiver for that particular Board Meetings.

Section 3.11: ACTION BY BOARD OF DIRECTORS WITHOUT A MEETING

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

Section 3.12: QUORUM

The number of directors necessary to constitute a quorum shall be Fifty Percent (50%); but if less than such number are present at said meetings, a majority of the directors present shall adjourn the meeting. Any act by a lawful quorum of directors shall be an act by the Board of Directors, unless such act requires a greater number of directors by law or by these Bylaws.

If the Board of Directors is meeting regarding the removal of a Director, the number of directors necessary to constitute a quorum shall be fifty percent (50%) of the Directors who are not the subject of the removal action.

Section 3.13: PROXIES

Proxy votes are expressly prohibited.

Section 3.14: DEADLOCKS

Should the Board of Directors become deadlocked on a vote on an issue presented at any meeting of the directors, the Chairman of the Board shall have the power and authority to break the deadlock by casting a vote.

Section 3.15: COMPENSATION OF DIRECTORS

Directors shall not receive any stated or fixed salaries for their services, but by a resolution of the Board of Directors, an expense allowance for attendance, if any, may be allowed for attendance at each special or annual meeting, however, nothing herein contained shall be construed to preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

ARTICLE IV: OFFICERS

Section 4.01: OFFICERS

The officers of the Corporation shall be a President, Vice President, Secretary and Treasurer. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable. Such Officers to have authority and perform the duties prescribed from time to time by the Board Of Directors. No two offices may be held by the same person.

Section 4.02: ELECTION AND TERM OF OFFICE

The officers of the Corporation shall be elected annually by the Board of Directors at the Annual Meeting of the Board of Directors. New offices may be created and filled at any meeting of the Board of Directors. Each officer so elected at the annual meeting shall hold office until the next annual meeting of the Board of Directors and until his/her successor shall have been duly elected and appointed.

Section 4.03: REMOVAL

Any officer elected or appointed by the Board of Directors may be removed by a majority vote of the Board whenever in its judgment the best interest of the Corporation would be served thereby, but such removal shall be without prejudice to any contractual rights, if any, of the officer so removed.

Section 4.04: COMPENSATION OF OFFICERS

The Board of Directors may fix the salary or other compensation of the Officers or other agents of the Corporation by a resolution, however the Board of Directors is not obligated to pay any salary or compensation for such offices.

Section 4.05: DUTIES OF THE PRESIDENT

The president shall be the principal executive officer of the Corporation and shall in general supervise and control all of the day to day business affairs of the Corporation. He/she may sign any contract, deeds, or other instruments which the Board of Directors have authorized to be executed, except in those cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, or by these Bylaws, or by statute to some other officer or agent of the Corporation; and in general he/she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 4.06: DUTIES OF THE SECRETARY

The Secretary shall keep the records of the minutes of all meetings of the Board of Directors of the Corporation at the principal office of the Corporation in one or more books provided for that purpose, with the time and place of the holding of the meetings, how they are called or authorized, the notice given thereof, the names of those present, and the proceedings thereof. The Secretary shall see that all notices are given in accordance with the provisions of the By-laws; shall be custodian of all records and documents and of the seal of the Corporation and shall see that the seal of the Corporation is affixed to all documents when required, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-laws; shall keep a record of the mailing address of each Director which shall be furnished to the Secretary by each Director. The Secretary shall distribute copies of the minutes and meeting agendas to each Member of the Corporation and in general, shall perform all other duties, not inconsistent with these By-laws, as are incident to the office of Secretary, or as may be assigned from time to time by the Board of Directors or the Chairman of the Corporation.

Section 4.07: DUTIES OF THE TREASURER

The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation and shall:

- (a) promptly deposit in such banks, trust companies or other depositories as from time to time may be designated by the Board of Directors all moneys received in the name of the Corporation;
- (b) Have charge of the disbursement of the moneys of the Corporation in accordance with the directions of the Board of Directors.
- (c) Cause to be entered regularly in books to be kept by an independent bookkeeper, a complete and correct account of all moneys received and disbursed by the Treasurer for the account of the Corporation. The independent bookkeeper shall be appointed or hired by the board and shall have no financial interest with any director or officer of the corporation. All financial records shall be kept at the principal office of the Corporation

and shall be available for inspection at reasonable times to all Directors, Officers and General Members of the club;

(d) Render a financial accounting to the Board of Directors at such times as may be requested;

(e) Submit a full financial report to the Board of Directors at the Annual Meeting of the Board of Directors;

(f) Exhibit the books of account of the Corporation and all securities, bank statements, vouchers, papers and documents of the Corporation in his or her custody to any member or designee of the Board of Directors upon request;

(g) Notify Members when dues, if any, are payable and/or delinquent;

(h) Arrange for an annual audit of the Corporation's financial accounts, if necessary; and

(i) Shall serve as the Chair of the Financial Committee, assist in the preparation of the budget, and assist in developing fundraising plans.;

(j) In general, have such other powers and perform such other duties, not inconsistent with these By-laws, as are incident to the office of Treasurer or as may be assigned to him or her from time to time by the Board of Directors or the Chairman.

The Board of Directors may require the Treasurer to give a bond for the faithful discharge of his or her duties in such sum and form and with such surety as the Board of Directors may determine. The cost of such bond shall be borne by the Corporation.

Section 4.08: DUTIES OF THE ASSISTANT SECRETARY AND ASSISTANT TREASURER

The assistant secretaries and assistant treasurers shall, in general, perform such duties as shall be assigned to them by the secretary or treasurer, or by the president or the Board of Directors, and if required by the board of directors, the assistant treasurer shall give a bond for the faithful discharge of his/her duties in such sums and with such sureties as the Board of Directors shall determine. The cost of such bond shall be borne by the Corporation.

ARTICLE V: COMMITTEES

Section 5.01: COMMITTEE OF DIRECTORS

The following committees are standing committees of the Corporation: The Executive Committee, the Finance Committee, and the Bylaws Committee. Each member of the Board of Directors is an ex-officio member of all Standing and Functional committees and may participate in committee discussions and deliberations.

Section 5.01(A): Executive Committee

The Chairman of the Board shall chair the Executive Committee. The President, Vice President, Secretary and Treasurer shall also serve as the members of this Committee. Except for the power to amend the Articles of Incorporation and Bylaws, the Executive Committee shall have all of the powers and authority of the Board of Directors in the intervals between meetings of the Board of Directors, subject to the direction and control of the Board of Directors and the bylaws. The Executive Committee shall also educate and direct volunteers in support of education, operational, and fundraising

activities.

Section 5.01(B): Finance Committee

The Treasurer is chair of the Finance Committee, which includes at least two other Directors, appointed by the Chairman of the Board of Directors. The Finance Committee is responsible for developing and reviewing fiscal procedures, fund raising plans, and the annual budget with staff and other Directors. The Board must approve the budget, and all expenditures must be within the budgeted guidelines. The Board or the Executive Committee must approve any significant change to the budget. Annual reports shall be submitted to the Board showing income, expenditures and a balance sheet.

Section 5.01(C): Bylaws Committee

The Vice-Chairman of the Board of Directors is the Chair of the Bylaws Committee, which shall include at least two other Directors, appointed by the Chairman of the Board of Directors. The Bylaws Committee shall ensure the integrity of the organization's bylaws. The committee is responsible for reviewing and making appropriate recommendations for revisions of the bylaws to the Board of Directors and membership as needed.

Section 5.01(D): Other Committees:

The Board may create Functional Committees to carry out the various activities of the organization. Functional Committees shall serve at the pleasure of the Board and can be terminated by a majority vote of the Board of Directors.

Section 5.02: TERM OF OFFICE

Each member of a committee shall continue as such until successors are appointed, unless such committee shall be sooner terminated, or unless such member be removed, resigns or otherwise cease to qualify as a member thereof.

Section 5.03: COMMITTEE CHAIRMAN

The Chairman of the Board shall appoint, reappoint or remove the Chair of each Functional Committee unless stated otherwise in these Bylaws.

Section 5.04: VACANCIES

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 5.05: RULES

Each committee may adopt rules for its own government, not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

ARTICLE VI: FOUNDERS' ADVISORY COMMITTEE

The Incorporators of the Corporation are the Founders. The duties of the Founders Advisory Committee shall be to advise the Board of Directors regarding institutional memory.

The Founders of the corporation shall be ex-officio members of the Board of Directors upon leaving their position on the Board of Directors. The Founders are not replaceable or removable by the Board of Directors. Founders, sitting in an ex-officio capacity, shall not have voting privileges.

ARTICLE VII: FISCAL MATTERS

Section 7.01: DEPOSIT OF FUNDS

All funds of the Corporation not otherwise employed shall be deposited in such banks, trust companies or other reliable depositories as the Board of Directors from time to time may determine.

Section 7.02: CHECKS, ETC

All checks, drafts, endorsements, notes and evidences of indebtedness of the Corporation, and all endorsements for deposits to the credit of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the President or the Chairman of the Board.

Section 7.03: LOANS

No loans or advances shall be contracted on behalf of the Corporation, and no note or other evidence of indebtedness shall be issued in its name, unless and except as authorized by the Board of Directors. Any such authorization may be general or confined to specific instances, and may include authorization to pledge, as security for loans or advances so authorized, any and all securities and other personal property at any time held by the Corporation.

Section 7.04: CONTRACTS

The Chairman or any other Officer specifically authorized by the Board of Directors, may, in the name of and on behalf of the Corporation, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board of Directors. Without the express and specific authorization of the Board of Directors, no Officer or other agent of the Corporation may enter into any contract or execute and deliver any instrument in excess of \$500.00 in the name of and on behalf of the Corporation.

Section 7.05: GIFTS

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Corporation.

ARTICLE VIII: FISCAL YEAR

Section 8.01: FISCAL YEAR

The Fiscal Year of the Corporation shall end on December 31 of each year.

ARTICLE IX: CORPORATE SEAL

Section 9.01: CORPORATE SEAL

The Board of Directors shall provide a Corporate Seal which shall have inscribed thereon the name of the Corporation, the State of incorporation and the year of incorporation. Said seal shall be in the form impressed below:

ARTICLE X: INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 10.01: INDEMNIFICATION

Any person (and the heirs, executors and administrators of such person) made or threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was a Director or Officer of the Corporation shall be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorneys' fees and disbursements, incurred by him or her (or by his or her heirs, executors and administrators) in connection with the defense or settlement of such action, suit or proceeding, or in connection with any appearance therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Director or Officer is liable for negligence or misconduct in the performance of his or her duties. Such right of indemnification shall not be deemed exclusive of any other rights to which such Director or Officer (or such heirs, executors or administrator) may have been titled apart from this Article.

The Corporation is to provide Directors and Officers (D&O) insurance and liability insurance for the Board of Directors and Founders, as appropriate.

ARTICLE XI: AMENDMENT OF BY-LAWS

Section 11:01: AMENDMENT OF BY-LAWS

Except as otherwise provided herein, and subject to the power of Board of Directors to change or repeal the Bylaws, these Bylaws may be amended or repealed and a new Bylaw or

new Bylaws may be enacted by a two-thirds (2/3rds) vote of the Board of Directors of the Corporation.

ARTICLE XII: DISSOLUTION OF THE CORPORATION

Section 12.01: DISSOLVING THE CORPORATION

In the event of a voluntary dissolution of the Corporation or by a two-thirds (2/3rds) vote of the Board of Directors all assets shall be donated to a like purpose organization.

ARTICLE XIII: MISCELLANEOUS

Section 13.01 Inspection of Corporate Records

The financial records, membership list and all other corporate records, and the minutes of all meetings (a) of the Board of Directors, and (b) of all the committees of the Corporation shall be kept at the principal office of the Corporation and shall be open to inspection upon the written request of any Director or Officer at reasonable times, and for a purpose reasonably related to his or her interest as a Director or Officer of the Corporation. Such inspection may be made either in person or by an agent authorized to act on his or her behalf in writing executed by such Director or Officer, and shall include the right to make extracts. A request to inspect the records of the Corporation shall be delivered in writing to the Chairman, Secretary, or any other Officer designated by the Board of Directors at the principal office of the Corporation no less than five days before the date specified in such written request for the inspection of such corporate records.

IN WITNESS WHEREOF, the foregoing CORPORATE BYLAWS, consisting of pages 1 through 12, were revised the 24th day of April, 2010, by all of the members of the Board of Directors of The Arizona Power Exchange Corp., an Arizona Non-Profit Corporation.

Director

Director