

# **CID Information Binder**

## CCIDC, Inc.

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## CALIFORNIA COUNCIL FOR INTERIOR DESIGN CERTIFICATION

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## **CCIDC MISSION STATEMENT**

TO ESTABLISH AND IMPLEMENT PROFESSIONAL STANDARDS AND EDUCATIONAL REQUIREMENTS, EDUCATE THE PUBLIC, AND FACILITATE INTERIOR DESIGN PROFESSIONAL'S COMPLIANCE WITH OUR STANDARDS AND CODE OF ETHICS IN ORDER TO PROVIDE FOR THE PROTECTION, HEALTH, SAFETY AND WELFARE OF THE PUBLIC.



## **CCIDC INFORMATION SHEET**

AFTER SEVERAL YEARS OF LEGISLATIVE EFFORTS BY INTERIOR DESIGN GROUPS AND THE CALIFORNIA LEGISLATIVE CONFERENCE ON INTERIOR DESIGN (CLCID) A NEW LAW WENT INTO EFFECT ON JANUARY 1, 1991, OUTLINING THE PARAMETERS AND RESPONSIBILITIES OF WORK THAT AN INTERIOR DESIGNER CAN PERFORM. ALONG WITH THESE GUIDELINES THE LISTING OF "CERTIFIED INTERIOR DESIGNER" WAS ADDED TO THE CALIFORNIA BUSINESS AND PROFESSIONS CODE, PROVIDING AN OFFICIAL DESIGNATION FOR INTERIOR DESIGNERS WHO MEET THE EDUCATION, EXPERIENCE AND EXAMINATION REQUIREMENTS AS OUTLINED BY THE CALIFORNIA COUNCIL FOR INTERIOR DESIGN CERTIFICATION.

- THE CALIFORNIA COUNCIL FOR INTERIOR DESIGN CERTIFICATION (CCIDC), LOCATED IN SAN MARCOS, CALIFORNIA, WAS ESTABLISHED IN JANUARY 1992 AS THE ORGANIZATION RESPONSIBLE FOR ADMINISTERING THE REQUIREMENTS OF THE CERTIFIED INTERIOR DESIGNERS LAW UNDER CHAPTER 3.9, SECTION 5800 OF THE CALIFORNIA BUSINESS AND PROFESSIONS CODE.
- UNDER THE CERTIFIED INTERIOR DESIGNERS LAW, CERTIFIED INTERIOR DESIGNERS ARE QUALIFIED BY THE CCIDC ON EVIDENCE OF A COMBINATION OF INTERIOR DESIGN EDUCATION AND/OR EXPERIENCE AND A PASSAGE OF DESIGNATED EXAMINATIONS.
- ONLY THE CCIDC CAN DETERMINE ELIGIBILITY TO BE A CERTIFIED INTERIOR DESIGNER IN THE STATE OF CALIFORNIA.
- DESIGNERS WHO MEET THE EDUCATION, EXPERIENCE AND EXAMINATION CRITERIA OF THE CCIDC BOARD ARE ALLOWED TO USE THE "CERTIFIED INTERIOR DESIGNER" TITLE AND ARE RECOGNIZED IN THE STATE OF CALIFORNIA.
- UPON QUALIFICATION, THE CERTIFIED INTERIOR DESIGNER WILL BE IDENTIFIED BY AN INDIVIDUAL NUMBER, WHICH WILL APPEAR ON A CERTIFICATE, A STAMP WITH WHICH TO IDENTIFY INTERIOR DESIGN NON-STRUCTURAL AND NON-SEISMIC DRAWINGS AND DOCUMENTS, AND AN IDENTIFICATION CARD.
- CERTIFIED INTERIOR DESIGNERS, AS MANDATED BY THE STATE OF CALIFORNIA, HAVE MET HIGH STANDARDS OF QUALIFICATION AND HAVE AGREED TO UPHOLD A STRICT CODE OF ETHICS AND CONDUCT.

#### TITLE AND APPELLATIONS FOR CERTIFIED INTERIOR DESIGNERS

Now that you are a Certified Interior Designer, what is the correct use of your title? Please Remember that you are certified by CCIDC, a nonprofit 501(c)(3) corporation formed for the sole purpose of certifying interior designers in accordance with California state law. CCIDC is not a state agency, although the CCIDC board is required to report to the State of California on a periodic basis. Because CCIDC is not a state agency, you cannot use the expression "State Certified" or "Certified by the State of California." What you can say is that you are "Certified in the State of California."

#### **REQUIREMENTS FOR USING THE CORRECT APPELLATION:**

- IF APPLICABLE, CONTINUE TO USE THE INITIALS OF YOUR PROFESSIONAL INTERIOR DESIGN ORGANIZATION (AIA, ASID, IDS, IFDA, IIDA, NKBA, ETC.), IF YOU BELONG TO ONE, AFTER YOUR NAME FOLLOWED ON A SEPARATE LINE BY CERTIFIED INTERIOR DESIGNER AND THEN YOUR CERTIFICATION NUMBER (E.G. CERTIFIED INTERIOR DESIGNER #0000).
- WHEN WRITING TO SOMEONE OUT-OF-STATE, OR PERHAPS LIVING AND WORKING OUTSIDE OF CALIFORNIA, YOU MAY WISH TO HIGHLIGHT THAT YOU ARE A CERTIFIED INTERIOR DESIGNER IN CALIFORNIA THEN YOU CAN ADD "IN THE STATE OF CALIFORNIA", OR JUST "CALIFORNIA" AFTER YOUR CERTIFICATION NUMBER.
- YOU CAN ALSO USE THE ABBREVIATED INITIAL "CID" IF YOU SO CHOOSE, ALSO AFTER ANY PROFESSIONAL ORGANIZATION INITIALS THAT YOU MAY USE. THE "CID" APPELLATION IS PROBABLY THE MOST COMMON ONE USED, HOWEVER IT DOESN'T ALWAYS CONVEY THE SAME MEANING TO THE CONSUMER AS "CERTIFIED INTERIOR DESIGNER" DOES AND IS NOT A LEGALLY PROTECTED TITLE UNDER CALIFORNIA LAW, UNLIKE "CERTIFIED INTERIOR DESIGNER".
- UNDER CALIFORNIA LAW, SECTION 5812 OF THE BUSINESS AND PROFESSIONS CODE, IT IS AN UNFAIR BUSINESS PRACTICE AND A MISDEMEANOR TO USE THE TITLE "CERTIFIED INTERIOR DESIGNER" UNLESS ONE HAS COMPLIED WITH THE LAW. PERMISSION IS GRANTED AS LONG AS YOUR CERTIFICATION IS IN GOOD STANDING AND YOUR RENEWAL FEES ARE PAID AND YOUR CEU'S ARE UP-TO-DATE.
- FAILURE TO PAY YOUR RENEWAL FEES WHEN DUE, WILL RESULT IN THE EXPIRATION OF YOUR CERTIFICATION, UPON WHICH YOU WILL BE REQUIRED TO REFRAIN FROM USING THE TITLE "CERTIFIED INTERIOR DESIGNER" OR THE APPELLATION "CID" IN ANY FORM WHATSOEVER, UNTIL YOUR CERTIFICATION HAS BEEN REACTIVATED.

#### FAQ's

#### Q: CAN I PUT "CCIDC" AFTER MY NAME?

A: NO! CCIDC IS A BOARD THAT OVERSEES THE CERTIFICATION PROGRAM FOR INTERIOR DESIGNERS IN THE STATE OF CALIFORNIA AND UNDER ITS AUTHORITY CONFERS THE TITLE "CERTIFIED INTERIOR DESIGNER". CCIDC IS THE NAME OF THE BOARD, NOT THE TITLE.

#### Q: AM I A MEMBER OF CCIDC?

A: NO, TECHNICALLY YOU ARE NOT A MEMBER; YOU ARE A "CERTIFIED INTERIOR DESIGNER" AND AS SUCH HOLD THIS TITLE AS LONG AS YOU ARE IN GOOD STANDING WITH THE CCIDC BOARD.

#### **Q: WHAT IS THE DIFFERENCE BETWEEN CCIDC AND PROFESSIONAL DESIGN ORGANIZATIONS?**

A: CCIDC IS SIMILAR TO A STATE LICENSING BOARD, EXCEPT IT IS A PRIVATE NOT-FOR-PROFIT LEGAL ENTITY THAT ADMINISTERS SECTION 5800 OF THE BUSINESS AND PROFESSIONS CODE; THE ONLY LEGALLY RECOGNIZED TITLE FOR INTERIOR DESIGNERS IN THE STATE OF CALIFORNIA. PROFESSIONAL DESIGN ORGANIZATIONS, SUCH AS AIA, ASID, IIDA, ETC., ARE ESSENTIALLY TRADE GROUPS THAT OPERATE AS SOCIETIES BETWEEN PROFESSIONALS TYPICALLY ORGANIZED INTO STATE OR LOCAL CHAPTERS THAT ENABLE SOCIAL, EDUCATIONAL AND PROFESSIONAL DISCOURSE, AS WELL AS LEGISLATIVE AND LOBBYING FUNCTIONS. CCIDC IS NOT ALLOWED TO LOBBY OR GET DIRECTLY INVOLVED IN LEGISLATIVE ISSUES.

#### **Q: CAN I REPRODUCE MY CID STAMP ELECTRONICALLY AND PRINT IT ON MY DRAWINGS?**

A: NO, YOU MAY NOT COPY OR REPRODUCE THE STAMP AS IT IS PROTECTED BY COPYRIGHT LAW. CCIDC DOES OFFER A DIGITAL STAMP FOR PRINTING ON DRAWINGS.

#### **Q: CAN I REFER TO MYSELF AS LICENSED, OR REGISTERED?**

A: NO, WHEN ONE REFERS TO THEMSELVES AS BEING "LICENSED", OR "REGISTERED", IT INFERS THEY ARE BEING REGULATED BY THE STATE, WHICH IN THE CASE OF CERTIFIED INTERIOR DESIGNERS IS NOT THE CASE AS CCIDC IS A PRIVATE NOT-FOR-PROFIT BOARD INDEPENDENT OF THE STATE. HOWEVER, THE CCIDC BOARD IS ANSWERABLE TO THE STATE ON A PERIODIC BASIS AS REQUIRED BY LAW TO ENSURE IT IS ADMINISTERING AND UPHOLDING THE CERTIFICATION PROGRAM, AS THE STATE REQUIRES.

#### **Q: CAN I CALL MYSELF AN "INTERIOR ARCHITECT" OR USE THAT TITLE IN ANY WAY?**

A: NO, IT IS ILLEGAL. USING THOSE TITLES IS NOT AN OPTION FOR SOMEONE WHO IS NOT A LICENSED ARCHITECT IN CALIFORNIA. THERE ARE STATE LAWS PROTECTING THE USE OF THE TITLE "ARCHITECT" AND THE PRACTICE AND TITLE OF "ARCHITECTURE" IN THE CALIFORNIA STATE BUSINESS AND PROFESSIONS CODE. IT REQUIRES SPECIFIC DEGREES AND OTHER LICENSING STEPS. THE CALIFORNIA ARCHITECTS BOARD DOES NOT ALLOW USE OF THAT TITLE BY ANYONE WHO IS NOT A LICENSED ARCHITECT IN CALIFORNIA. THE TITLE IS VIGOROUSLY DEFENDED, AND REGULATORS ARE KNOWN TO CHECK THE WEB AND OTHER ADVERTISING PLATFORMS TO FIND THOSE WHO USE THE TITLE UNLAWFULLY AND FIND THOSE WHO ARE OUTSIDE THE LAW.



#### **CONTINUING EDUCATION REQUIREMENTS AND REPORTING**

- 1. EVERY ACTIVE CERTIFIED INTERIOR DESIGNER IS REQUIRED TO SUCCESSFULLY COMPLETE CONTINUING EDUCATION COURSE EQUIVALENT TO 1.0 OR 10 HOURS OF CONTINUING EDUCATION UNITS (CEU(S) DURING EACH TWO-YEAR CERTIFICATION RENEWAL PERIOD.
- 2. IT IS THE RESPONSIBILITY OF EACH ACTIVE CERTIFIED INTERIOR DESIGNER TO REPORT TO CCIDC HIS OR HER COMPLETED CEU COURSE CREDITS TO THEIR CID ACCOUNT ON THE CCIDC WEB SITE, EITHER PRIOR TO, OR AT THE TIME OF CERTIFICATE RENEWAL.
- CCIDC ACCEPTS ALL APPROVED COURSES BY THE INTERIOR DESIGN CONTINUING EDUCATION COUNCIL (IDCEC) OR ANY PROFESSIONAL INTERIOR DESIGN ORGANIZATION (I.E. IIDA, ASID, IFDA, IDS, NKBA, ETC.). AIA APPROVED COURSES ARE ALSO ACCEPTABLE BUT MUST BE RELEVANT TO THE PRACTICE OF INTERIOR DESIGN.
- 4. ACTIVITIES FOR WHICH CEU CREDIT IS NOT INTENDED: ASSOCIATION MEMBERSHIP, LEADERSHIP ACTIVITIES, AND COMMITTEE MEETINGS/ACTIVITIES; PROFESSIONAL EXAM PREPARATION; ENTERTAINMENT AND RECREATION; COLLEGE CREDIT COURSES TAKEN TOWARDS A DEGREE. MASS MEDIA PROGRAMS (TV, RADIO, NEWSPAPER) DO NOT QUALIFY UNLESS THEY ARE AN INTEGRAL PART OF A PLANNED CONTINUING EDUCATION EXPERIENCE QUALIFYING UNDER CEU CRITERIA. SOME MEETINGS, CONVENTIONS AND EXHIBITS (ONLY PLANNED LEARNING ACTIVITIES WITHIN SUCH EVENTS ARE ELIGIBLE FOR CEU CREDIT.). TOURS WITHOUT SPECIFIC LECTURE TIME BY QUALIFIED LECTURERS; WORK EXPERIENCE; YOUTH PROGRAMS; INDIVIDUAL SCHOLARSHIP SUCH AS ARTICLES, BOOKS, RESEARCH PROJECTS, PRESENTATION OF PAPERS, OR TEACHING.
- 5. INSTRUCTORS MAY RECEIVE CEU CREDIT FOR PREPARING AND OFFERING AN IDCEC APPROVED CEU FOR THE FIRST TIME ONLY THAT THE COURSE IS OFFERED. THE CEU CREDIT IS EQUIVALENT TO THE CEU CREDIT RECEIVED BY PARTICIPANTS.
- 6. IF THE REQUIRED NUMBER OF CEU CREDITS HAS NOT BEEN REPORTED TO CCIDC, A NOTICE WILL BE SENT BY CCIDC TO THE ACTIVE CID. DURING THAT TIME, THE ACTIVE CID WILL NOT BE ISSUED A RENEWAL CERTIFICATE AND STAMP UNTIL THE CEU REQUIREMENT IS MET.
- 7. IF THE ACTIVE CID DOES NOT COMPLY WITH THE CEU REQUIREMENT WITHIN THE COMPLIANCE PERIOD, THEY WILL NOT BE CERTIFIED BY CCIDC AND WILL BE REQUIRED TO REAPPLY FOR CERTIFICATION.



#### **GUIDELINES FOR STAMP AND PHOTO IDENTIFICATION CARD**

#### USE OF STAMP AND SIGNATURE ON PLANS

#### **ADMINISTRATIVE RULES AND REGULATIONS, SECTION 4.7**

EACH CERTIFIED INTERIOR DESIGNER WILL, UPON CERTIFICATION, RECEIVE A STAMP OF THE DESIGN AUTHORIZED BY THE CCIDC BOARD. EACH CERTIFIED INTERIOR DESIGNER SHALL SIGN, DATE, AND INDICATE THEIR CERTIFICATION NUMBER ON ALL PLANS, SPECIFICATION, AND OTHER INSTRUMENTS OF SERVICE AND CONTRACTS PREPARED FOR OTHERS.

#### **BUSINESS AND PROFESSIONS CODE, CHAPTER 3.0, SECTION 5802A**

ALL DRAWINGS, SPECIFICATIONS, OR DOCUMENTS PREPARED FOR SUBMISSION TO ANY GOVERNMENT REGULATORY AGENCY BY ANY CERTIFIED INTERIOR DESIGNER, OR UNDER HIS OR HER SUPERVISION SHALL BE AFFIXED BY A STAMP, AS SPECIFIED IN SECTION 5801, AND SIGNED BY THAT CERTIFIED INTERIOR DESIGNER.

#### **QUESTIONS AND ANSWERS**

- Q. WHERE DO I GET MY STAMP?
- A. YOU WILL RECEIVE YOUR STAMP FROM CCIDC ONCE YOU'VE BECOME CERTIFIED AND PAID YOUR DUES.
- Q. DOES THE INK USED FOR STAMPING PLANS, SPECIFICATIONS AND OTHER INSTRUMENTS OF SERVICE HAVE TO BE A SPECIAL TYPE?
- A. NO. IT NEED ONLY BE PERMANENT.
- Q. CAN I USE THE STAMP ON PROPOSALS, RENDERINGS, GRAPHICS, PROPOSALS OR PRESENTATION BOARDS?
- A. YES. HOWEVER, IT IS ONLY NECESSARY TO STAMP PLANS AND DOCUMENTS PREPARED FOR SUBMISSION TO A REGULATORY AGENCY.
- Q. SHOULD I STAMP THE ORIGINAL SET OF PLANS?
- A. NO. THEY ARE REPRODUCIBLE.
- Q. WHAT DOES THE EXPIRATION DATE ON THE STAMP MEAN?
- A. THE STAMP EXPIRATION DATE IS THE TIME OF VALIDITY AND THE DATE THAT YOUR CERTIFICATION COMES UP FOR RENEWAL.
- Q. HOW DO I RENEW MY STAMP?
- A. CCIDC WILL NOTIFY YOU BY MAIL PRIOR TO YOUR EXPIRATION DATE.
- Q. CAN I USE A REPRODUCTION OF MY STAMP IN ADVERTISING?
- A. NO. THE STAMP IS COPYRIGHTED BY CCIDC.
- Q. CAN THE STAMP BE GENERATED BY COMPUTER ONTO CONSTRUCTION DOCUMENTS?
- A. YES, ONLY IF YOU PURCHASE THE CCIDC DIGITAL STAMP OPTION.
- Q. CAN THE DESIGNERS IN A COMPANY SHARE A STAMP?
- A. NO. EACH DESIGNER MUST HAVE HIS OR HER OWN STAMP. HOWEVER, A CERTIFIED INTERIOR DESIGNER MAY STAMP WORK PREPARED BY OTHERS UNDER THE CERTIFIED INTERIOR DESIGNER'S SUPERVISION.
- Q. CAN AN INTERIOR DESIGN FIRM BE CERTIFIED?
- A. NO. ONLY AN INDIVIDUAL CAN BE CERTIFIED.

#### USE OF PHOTO IDENTIFICATION CARD - QUESTIONS AND ANSWERS

- Q. WHY DO I HAVE A PHOTO CARD?
- A. AS IDENTIFICATION WHEN USING YOUR STAMP.
- Q. WHAT DOES THE EXPIRATION DATE ON THE CARD MEAN?
- A. IT IS A DESIGNATED TIME OF VALIDITY AND THE DATE YOUR CERTIFICATION COMES UP FOR RENEWAL.
- Q. HOW DO I RENEW MY CARD?
- A. CCIDC WILL NOTIFY YOU BY MAIL PRIOR TO YOUR EXPIRATION DATE.

## **BUSINESS AND PROFESSIONS CODE SECTION 5800-5812**

#### 5800. As used in this chapter:

(a) "Certified interior designer" means a person who prepares and submits nonstructural or nonseismic plans consistent with Sections 5805 and 5538 to local building departments that are of sufficient complexity so as to require the skills of a licensed contractor to implement them, and who engages in programming, planning, designing, and documenting the construction and installation of nonstructural or nonseismic elements, finishes and furnishings within the interior spaces of a building, and has demonstrated by means of education, experience and examination, the competency to protect and enhance the health, safety, and welfare of the public.

(b) An "interior design organization" means a nonprofit organization, exempt from taxation under Section 501(c)(3) of Title 26 of the United States Code, of certified interior designers whose governing board shall include representatives of the public, except that an organization that is not currently exempt under that section that submits an application to the Internal Revenue Service requesting an exemption under that section shall be eligible to be an interior design organization if it meets the requirements under that section within a reasonable period of time.

(Amended by Stats. 2001, Ch. 495, Sec. 1. Effective January 1, 2002. Repealed as of January 1, 2027, pursuant to Section 5810.)

**5801.** A certified interior designer may obtain a stamp from an interior design organization that shall include a number that uniquely identifies and bears the name of that certified interior designer. The stamp certifies that the interior designer has provided the interior design organization with evidence of passage of an interior design examination approved by that interior design organization and any of the following:

(a) He or she is a graduate of a four- or five-year accredited interior design degree program and has two years of diversified interior design experience.(b) They have completed a three-year accredited interior design certificate program and has completed three years of diversified interior design experience.(c) They have completed a two-year accredited interior design program and has completed four years of diversified interior design experience.(d) They have at least eight years of interior design education, or at least eight years of diversified interior design education of interior design education and diversified interior design experience that together total at least eight years.

(Amended by Stats. 2009, Ch. 308, Sec. 81. (SB 819) Effective January 1, 2010. Repealed as of January 1, 2027, pursuant to Section 5810.)

**5801.1.** The procedure for the issuance of a stamp by an interior design organization under Section 5801, including the examinations recognized and required by the organization, shall be subject to the occupational analyses and examination validation required by Section 139 every five to seven years.

(Added by Stats. 2001, Ch. 495, Sec. 2. Effective January 1, 2002. Repealed as of January 1, 2027, pursuant to Section 5810.)

5802.

(a) All drawings, specifications, or documents prepared for submission to any government regulatory agency by any certified interior designer, or under his or her supervision shall be affixed by a stamp, as specified in Section 5801, and signed by that certified interior designer.

(b) All such documents shall be identified as interior design documents, which are not architectural or engineering documents.

(Added by Stats. 1990, Ch. 396, Sec. 1. Repealed as of January 1, 2027, pursuant to Section 5810.)

**5803.** A certified interior designer, as defined in this chapter, is exempt from Chapter 9 (commencing with Section 7000) of Division 3 insofar as he or she is designing systems for work to be performed by a licensed contractor. (Added by Stats. 1990, Ch. 396, Sec. 1. Repealed as of January 1, 2027, pursuant to Section 5810.)

**5804.** It is an unfair business practice for any certified interior designer or any other person to advertise or put out any sign or card or other device, including any stamp or seal, or to represent to the public through any print or electronic media, that he or she is "state certified" to practice interior design, or to use any other words or symbols that represent to the public that he or she is so certified.

(Added by Stats. 1990, Ch. 396, Sec. 1. Repealed as of January 1, 2027, pursuant to Section 5810.)

**5805.** Nothing in this chapter shall preclude certified interior designers or any other person from submitting interior design plans to local building officials, except as provided in Section 5538. In exercising discretion with respect to the acceptance of interior design plans, the local building official shall reference the California Building Standards Code.

(Amended by Stats. 2011, Ch. 432, Sec. 1. (SB 944) Effective January 1, 2012. Repealed as of January 1, 2027, pursuant to Section 5810.)

5806. Nothing in this chapter shall prohibit interior design or interior decorator services by any person or retail activity. (Added by Stats. 2013, Ch. 333, Sec. 1. (SB 308) Effective January 1, 2014. Repealed as of January 1, 2027, pursuant to Section 5810.)

#### 5807.

(a) A certified interior designer shall use a written contract when contracting to provide interior design services to a client pursuant to this chapter. The written contract shall be executed by the certified interior designer and the client, or his or her representative, prior to the certified interior designer commencing work. The written contract shall include, but not be limited to, all of the following: (1) A description of the services to be provided to the client by the certified interior designer. (2) A description of any basis of compensation applicable to the contract and the method of payment agreed upon by the parties. (3) The name, address, and certification number of the certified interior designer and the name and address of the client. (4) A description of the procedure that the certified interior designer and the client will use to accommodate additional services. (5) A description of the procedure to be used by any party to terminate the contract. (6) A three-day rescission clause in accordance with Chapter 2 (commencing with Section 1688) of Title 5 of Part 2 of Division 3 of the Civil Code. (7) A written disclosure stating whether the certified interior designer carries errors and omissions insurance. (b) Subdivision (a) shall not apply to any of the following: (1) Interior design services rendered by a certified interior designer for which the client will not pay compensation. (2) Interior design services rendered by a certified interior designer to any of the following: (A) An architect licensed under Chapter 3 (commencing with Section 5500). (B) A landscape architect licensed under Chapter 3.5 (commencing with Section 5615). (C) An engineer licensed under Chapter 7 (commencing with Section 6700).(c) As used in this section, "written contract" includes a contract in electronic form. (Added by Stats. 2013, Ch. 333, Sec. 2. (SB 308) Effective January 1, 2014.

Repealed as of January 1, 2027, pursuant to Section 5810.)

(a) This chapter shall be subject to review by the appropriate policy committees of the Legislature.(b) This chapter shall remain in effect only until January 1, 2027, and as of that date is repealed.

(Amended by Stats. 2020, Ch. 312, Sec. 45. (SB 1474) Effective January 1, 2021. Repealed as of January 1, 2027, by its own provisions. Note: Repeal affects Chapter 3.9, comprising Sections 5800 to 5812.)

**5811.** The meetings of an interior design organization issuing stamps under Section 5801 shall be subject to the rules of the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(Added by Stats. 2013, Ch. 333, Sec. 4. (SB 308) Effective January 1, 2014. Repealed as of January 1, 2027, pursuant to Section 5810.)

**5812.** It is an unfair business practice for any person to represent or hold himself or herself out as, or to use the title "certified interior designer" or any other term, such as "licensed," "registered," or "CID," that implies or suggests that the person is certified as an interior designer when he or she does not hold a valid certification as provided in Sections 5800 and 5801.

(Amended by Stats. 2013, Ch. 333, Sec. 5. (SB 308) Effective January 1, 2014. Repealed as of January 1, 2027, pursuant to Section 5810.)

#### 5810.



## CID CODE OF ETHICS AND CONDUCT

#### 1.0 CODE OF ETHICS AND CONDUCT

#### 1.1 OBJECT OF CODE

A. A CERTIFIED INTERIOR DESIGNER IS REQUIRED TO CONDUCT THEIR PROFESSION IN A MANNER THAT WILL ENCOURAGE THE RESPECT OF CLIENTS, SUPPLIERS OF GOODS AND SERVICES TO THE PROFESSION, AND FELLOW PROFESSIONAL INTERIOR DESIGNERS, AS WELL AS THE GENERAL PUBLIC. IT IS THE INDIVIDUAL RESPONSIBILITY OF EVERY CERTIFIED INTERIOR DESIGNER TO ABIDE BY THIS CODE.

#### **1.2 RESPONSIBILITY TO THE PUBLIC**

- A. IN PERFORMING PROFESSIONAL SERVICES, A CERTIFIED INTERIOR DESIGNER SHALL EXERCISE REASONABLE CARE AND COMPETENCE, AND SHALL TAKE INTO ACCOUNT ALL APPLICABLE LAWS, REGULATIONS AND CODES.
- B. IN PERFORMING PROFESSIONAL SERVICES, A CERTIFIED INTERIOR DESIGNER SHALL AT ALL TIMES CONSIDER THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC.
- C. IN PERFORMING PROFESSIONAL SERVICES, A CERTIFIED INTERIOR DESIGNER SHALL NOT KNOWINGLY VIOLATE THE LAW, NOR COUNSEL OR ASSIST A CLIENT IN CONDUCT THE CERTIFIED INTERIOR DESIGNER KNOWS, OR REASONABLY SHOULD KNOW, IS ILLEGAL.
- D. A CERTIFIED INTERIOR DESIGNER SHALL NOT KNOWINGLY ACCEPT MONIES FROM A CLIENT FOR ANY INSTALLATION OR CONSTRUCTION WORK THAT IS REQUIRED BY LAW TO BE PERFORMED BY A LICENSED CONTRACTOR WITHOUT HOLDING SUCH A LICENSE FROM THE STATE.
- E. A CERTIFIED INTERIOR DESIGNER SHALL NOT PERMIT THEIR NAME, SIGNATURE, OR STAMP TO BE USED IN CONJUNCTION WITH A DESIGN OR PROJECT FOR WHICH INTERIOR DESIGN SERVICES ARE NOT TO BE, OR WERE NOT, PERFORMED BY THE CERTIFIED INTERIOR DESIGNER OR UNDER THEIR RESPONSIBLE DIRECTION.
- F. A CERTIFIED INTERIOR DESIGNER SHALL NOT ENGAGE IN ANY FORM OF FALSE OR MISLEADING ADVERTISING OR PROMOTIONAL ACTIVITIES AND SHALL NOT IMPLY, THROUGH ADVERTISING OR OTHER MEANS, THAT STAFF MEMBERS OR EMPLOYEES OF THEIR FIRM ARE CERTIFIED INTERIOR DESIGNERS UNLESS SUCH BE THE FACT.
- G. A CERTIFIED INTERIOR DESIGNER SHALL NOT MAKE MISLEADING, DECEPTIVE OR FALSE STATEMENTS OR CLAIMS ABOUT THEIR PROFESSIONAL QUALIFICATIONS, EXPERIENCE, OR PERFORMANCE.
- H. A CERTIFIED INTERIOR DESIGNER SHALL NOT BY AFFIRMATIVE ACT OR FAILURE TO ACT, ENGAGE IN ANY CONDUCT INVOLVING FRAUD, DECEIT, MISREPRESENTATION OR DISHONESTY IN PROFESSIONAL OR BUSINESS ACTIVITY.
- I. IN THE CONDUCT OF THEIR PROFESSIONAL ACTIVITIES, A CERTIFIED INTERIOR DESIGNER SHALL NOT DISCRIMINATE ON THE BASIS OF RACE, RELIGION, GENDER, NATIONAL ORIGIN, AGE, NON-DISQUALIFYING HANDICAP, OR SEXUAL ORIENTATION.
- J. IN PERFORMING PROFESSIONAL SERVICES, A CERTIFIED INTERIOR DESIGNER SHALL REFUSE TO CONSENT TO ANY DECISION BY THEIR CLIENT, OR EMPLOYER, WHICH VIOLATES ANY APPLICABLE LAW OR REGULATION, AND WHICH, IN THE CERTIFIED INTERIOR DESIGNER'S JUDGMENT WILL CREATE A SIGNIFICANT RISK TO PUBLIC HEALTH AND SAFETY.

#### **1.3 RESPONSIBILITY TO CLIENT**

- A. A CERTIFIED INTERIOR DESIGNER SHALL UNDERTAKE TO PERFORM PROFESSIONAL SERVICES ONLY WHEN THEY, TOGETHER WITH THEIR CONSULTANTS, IS QUALIFIED BY EDUCATION, TRAINING OR EXPERIENCE TO PERFORM THE SERVICES REQUIRED. (A CERTIFIED INTERIOR DESIGNER SHOULD NOT WORK OUTSIDE THEIR SPECIFIC AREA OF EXPERTISE.)
- B. BEFORE ACCEPTING AN ASSIGNMENT, A CERTIFIED INTERIOR DESIGNER SHALL REASONABLY INFORM THE CLIENT OF THE SCOPE AND NATURE OF THE PROJECT INVOLVED, THE INTERIOR DESIGN SERVICES TO BE PERFORMED, AND THE METHOD OF REMUNERATION FOR THOSE SERVICES. A CERTIFIED INTERIOR DESIGNER SHALL NOT MATERIALLY CHANGE THE SCOPE OF A PROJECT WITHOUT THE CLIENT'S CONSENT.
- C. WHEN ACCEPTING AN ASSIGNMENT, A CERTIFIED INTERIOR DESIGNER SHOULD ALWAYS HAVE A CONTRACT, OR LETTER OF AGREEMENT, WITH THE CLIENT THAT CLEARLY SPELLS OUT THE SCOPE OF THE WORK, THE FEES OR COSTS ASSOCIATED WITH THAT SCOPE OF WORK, HOW AND WHEN THOSE FEES ARE TO BE PAID BY THE CLIENT, WHEN THE WORK IS EXPECTED TO BE COMPLETED, AND A CLAUSE FOR LEGAL REMEDIES IN THE CASE OF A DISPUTE BETWEEN THE CLIENT AND THE CERTIFIED INTERIOR DESIGNER UTILIZING BINDING ARBITRATION OR OTHER SUITABLE FORMS OF DISPUTE RESOLUTION.
- D. A CERTIFIED INTERIOR DESIGNER SHALL DISCLOSE, IN WRITING, TO THEIR EMPLOYERS AND CLIENTS PRIOR TO THE ENGAGEMENT, ANY DIRECT OR INDIRECT FINANCIAL INTEREST THAT THEY MAY HAVE THAT COULD AFFECT THEIR IMPARTIALITY IN SPECIFYING PROJECT-RELATED GOODS OR SERVICES AND SHALL NOT KNOWINGLY ASSUME OR ACCEPT ANY POSITION IN WHICH THEIR PERSONAL INTERESTS CONFLICT WITH THEIR PROFESSIONAL DUTY. IF THE EMPLOYER OR CLIENT OBJECTS TO SUCH FINANCIAL OR OTHER INTEREST, THE CERTIFIED INTERIOR DESIGNER SHALL EITHER TERMINATE SUCH INTEREST, OR WITHDRAW FROM SUCH ENGAGEMENT.
- E. A CERTIFIED INTERIOR DESIGNER SHALL NOT REVEAL ANY INFORMATION ABOUT A CLIENT, A CLIENT'S INTENTION(S), OR A CLIENT'S PRODUCTION METHODS) WHICH THEY HAVE BEEN ASKED TO MAINTAIN IN CONFIDENCE, OR WHICH THEY SHOULD REASONABLY RECOGNIZE AS LIKELY, IF DISCLOSED, TO AFFECT THE INTERESTS OF THEIR CLIENT ADVERSELY. NOTWITHSTANDING THE ABOVE, HOWEVER, A CERTIFIED INTERIOR DESIGNER MAY REVEAL SUCH INFORMATION TO THE EXTENT THEY REASONABLY BELIEVES IS NECESSARY TO (1) STOP ANY ACT WHICH CREATES A SIGNIFICANT RISK TO PUBLIC HEALTH AND SAFETY AND WHICH THE CERTIFIED INTERIOR DESIGNER IS UNABLE TO PREVENT IN ANY OTHER MANNER, OR (2) TO PREVENT ANY VIOLATION OF APPLICABLE LAW OR THIS CODE OF ETHICS.

#### 1.4 RESPONSIBILITY TO OTHER CERTIFIED INTERIOR DESIGNERS AND COLLEAGUES

- A. A CERTIFIED INTERIOR DESIGNER SHALL PURSUE THEIR PROFESSIONAL ACTIVITIES WITH HONESTY, INTEGRITY AND FAIRNESS, AND WITH RESPECT FOR ANOTHER INTERIOR DESIGNER'S, OR COLLEAGUE'S, CONTRACTUAL AND PROFESSIONAL RELATIONSHIPS.
- B. A CERTIFIED INTERIOR DESIGNER SHALL NOT INITIATE OR PARTICIPATE IN ANY DISCUSSION OR ACTIVITY WHICH MIGHT RESULT IN AN UNJUST INJURY TO ANOTHER INTERIOR DESIGNER'S OR COLLEAGUE'S REPUTATION OR BUSINESS RELATIONSHIPS.
- C. A CERTIFIED INTERIOR DESIGNER SHALL NOT ACCEPT INSTRUCTION FROM THEIR CLIENTS, WHICH KNOWINGLY INVOLVES PLAGIARISM, NOR SHALL THEY CONSCIOUSLY PLAGIARIZE ANOTHER'S WORK.
- D. A CERTIFIED INTERIOR DESIGNER SHALL NOT ENDORSE THE APPLICATION FOR CERTIFICATION OF AN INDIVIDUAL KNOWN TO BE UNQUALIFIED WITH RESPECT TO EDUCATION, TRAINING, EXPERIENCE, OR CHARACTER, NOR SHALL HE OR SHE KNOWINGLY MISREPRESENT THE EXPERIENCE, PROFESSIONAL EXPERTISE, OR MORAL CHARACTER OF THAT INDIVIDUAL.

E. A CERTIFIED INTERIOR DESIGNER SHALL ONLY TAKE CREDIT FOR WORK THAT HAS ACTUALLY BEEN CREATED BY THAT DESIGNER OR THE DESIGNER'S FIRM AND UNDER THE DESIGNER'S DIRECTION.

#### 1.5 RESPONSIBILITY TO THE PROFESSION

- A. A CERTIFIED INTERIOR DESIGNER AGREES TO MAINTAIN STANDARDS OF PROFESSIONAL AND PERSONAL CONDUCT THAT WILL REFLECT IN A RESPONSIBLE MANNER TO THE PROFESSION.
- B. A CERTIFIED INTERIOR DESIGNER SHALL SEEK TO CONTINUALLY UPGRADE THEIR PROFESSIONAL KNOWLEDGE AND COMPETENCY WITH RESPECT TO THE INTERIOR DESIGN PROFESSION.
- C. A CERTIFIED INTERIOR DESIGNER AGREES, WHENEVER POSSIBLE, TO ENCOURAGE AND CONTRIBUTE TO THE SHARING OF KNOWLEDGE AND INFORMATION BETWEEN CERTIFIED INTERIOR DESIGNERS AND OTHER ALLIED PROFESSIONAL DISCIPLINES, INDUSTRY, AND THE PUBLIC.
- D. A CERTIFIED INTERIOR DESIGNER SHALL NOT KNOWINGLY MAKE FALSE STATEMENTS OR FAIL TO DISCLOSE ANY MATERIAL FACT REQUESTED IN CONNECTION WITH THEIR APPLICATION FOR CERTIFICATION OR THE RENEWAL THEREOF.



#### **ADMINISTRATIVE RULES AND REGULATIONS**

#### 09/25/2010

#### **1.0 DEFINITIONS**

#### 1.1 DIVERSIFIED INTERIOR DESIGN EXPERIENCE:

THE PHRASE "DIVERSIFIED INTERIOR DESIGN EXPERIENCE" AS USED IN THIS CHAPTER AND THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS THE PREPARATION, OR INSTRUCTION IN THE PREPARATION, OF NONSTRUCTURAL OR NON-SEISMIC PLANS WHICH ARE OF SUFFICIENT COMPLEXITY SO AS TO REQUIRE THE SKILLS OF A LICENSED CONTRACTOR TO IMPLEMENT THEM, AND INCLUDES PROGRAMMING, PLANNING, DESIGNING, AND DOCUMENTING THE CONSTRUCTION AND INSTALLATION OF NONSTRUCTURAL OR NON-SEISMIC ELEMENTS, FINISHES AND FURNISHINGS WITHIN THE INTERIOR SPACES OF A BUILDING, AND ENCOMPASSES THE COMPETENCY TO PROTECT AND ENHANCE THE HEALTH, SAFETY, AND WELFARE OF THE PUBLIC.

#### 1.2 INTERIOR DESIGN:

THE TERM "INTERIOR DESIGN" AS USED IN THIS CHAPTER AND THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS THE:

- A. ANALYSIS OF A CLIENT'S NEEDS, GOALS, AND LIFE AND SAFETY REQUIREMENTS;
- B. INTEGRATION OF FINDINGS WITH KNOWLEDGE;
- C. FORMULATION OF PRELIMINARY DESIGN CONCEPTS THAT ARE APPROPRIATE, FUNCTIONAL AND AESTHETIC;
- D. DEVELOPMENT AND PRESENTATION OF FINAL DESIGN RECOMMENDATIONS THROUGH APPROPRIATE PRESENTATION MEDIA;
- E. PREPARATION OF WORKING DRAWINGS, PLANS AND SPECIFICATIONS FOR NON-STRUCTURAL, NON-SEISMIC INTERIOR CONSTRUCTION, MATERIALS, FINISHES, SPACE PLANNING, FURNISHINGS, FIXTURES, AND EQUIPMENT, THAT ARE OF SUFFICIENT COMPLEXITY SO AS TO REQUIRE THE SKILLS OF A LICENSED CONTRACTOR;
- F. COORDINATION WITH PROFESSIONAL SERVICES OF OTHER LICENSED PRACTITIONERS AS REQUIRED FOR REGULATORY APPROVAL;
- G. PREPARATION AND ADMINISTRATION OF CONSTRUCTION AND FURNISHING BIDS AND CONTRACT DOCUMENTS ON BEHALF OF A CLIENT;
- H. REVIEW AND EVALUATION OF DESIGN SOLUTIONS AFTER PROJECT COMPLETION.

#### 1.3 FIRM:

THE TERM "FIRM" AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS A SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION ENGAGED IN INTERIOR DESIGN, INCLUDING INDIVIDUALS, PARTNERS OR SHAREHOLDERS THEREOF.

#### 1.4 COLLEAGUE:

THE TERM "COLLEAGUE" AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS ANY OTHER INDIVIDUAL OR FIRM ENGAGED IN INTERIOR DESIGN OR A RELATED DESIGN PROFESSION.

#### 1.5 CLIENT:

THE TERM ``CLIENT" AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS ANY INDIVIDUAL OF ENTITY THAT RETAINS A CERTIFIED INTERIOR DESIGNER TO RENDER INTERIOR DESIGN SERVICES.

#### 1.6 INTERIOR DESIGN CERTIFICATION EXAMINATION:

THE PHRASE "INTERIOR DESIGN CERTIFICATION EXAMINATION" AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS:

A. IDEX<sup>®</sup> CALIFORNIA.

#### 1.7 ACCREDITED INTERIOR DESIGN DEGREE PROGRAM:

THE PHRASE "ACCREDITED INTERIOR DESIGN DEGREE PROGRAM" AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS:

A. AN ACCREDITED INTERIOR DESIGN DEGREE MEANS A PROGRAM ACCREDITED BY ANY ACCREDITING AGENCY RECOGNIZED BY THE UNITED STATES DEPARTMENT OF EDUCATION ("USDE").

#### **1.8 ACCREDITED INTERIOR DESIGN CERTIFICATE PROGRAM:**

THE PHRASE "ACCREDITED INTERIOR DESIGN CERTIFICATE PROGRAM" AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS:

A. AN ACCREDITED INTERIOR DESIGN CERTIFICATE MEANS A PROGRAM ACCREDITED BY ANY ACCREDITING AGENCY RECOGNIZED THE USDE.

#### **1.9 INTERIOR DESIGN EDUCATION:**

THE PHRASE "INTERIOR DESIGN EDUCATION" SHALL MEAN SUCCESSFUL COMPLETION OF:

- A. A CERTIFICATE AND/OR DEGREE PROGRAM OF INTERIOR DESIGN FROM A USDE RECOGNIZED ACCREDITING SCHOOL; OR
- B. A COMBINATION OF COURSES IN THE FOLLOWING CATEGORIES:
  - 1. INTERIOR DESIGN/INTERIOR DECORATION;
  - 2. CONSTRUCTION DOCUMENTS;
  - 3. ARCHITECTURE;
  - 4. ART AND ARCHITECTURAL/DESIGN HISTORY;
  - 5. BUILDING CODES;
  - 6. DRAFTING;
  - 7. COMPUTER AIDED DESIGN AND DRAFTING (CADD);
  - 8. GRAPHIC DESIGN;
  - 9. BUSINESS PRACTICES

#### THE REQUIRED COMBINATION OF COURSES SHALL BE AS DETERMINED BY CCIDC.

#### 1.10 INTERIOR DESIGN EDUCATION AND DIVERSIFIED INTERIOR DESIGN EXPERIENCE:

FOR PURPOSES OF BUSINESS AND PROFESSIONS CODE SECTIONS 5801, SUBDIVISION (C), AND 5801.1, AN INTERIOR DESIGNER MAY BE ELIGIBLE FOR CERTIFICATION IF THEY SATISFIES THE APPLICABLE INTERIOR DESIGN CERTIFICATION EXAMINATION REQUIREMENTS AND HAS EITHER THE REQUISITE NUMBER OF YEARS OF INTERIOR DESIGN EDUCATION OR DIVERSIFIED INTERIOR DESIGN EXPERIENCE, OR A COMBINATION OF BOTH.

#### 1.11 FULL-TIME AND PART-TIME DIVERSIFIED INTERIOR DESIGN EXPERIENCE:

- A. THE PHRASE ``FULL-TIME DIVERSIFIED INTERIOR DESIGN EXPERIENCE" AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS EXPERIENCE OF THE NATURE DESCRIBED IN SECTION 1.1, ABOVE, OF THIRTY-SIX (36) HOURS OR MORE PER WEEK OR EIGHTEEN HUNDRED (1800) HOURS OR MORE PER YEAR.
- B. THE PHRASE "PART-TIME DIVERSIFIED INTERIOR DESIGN EXPERIENCE" AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS SHALL BE DEFINED AS EXPERIENCE OF THE NATURE DESCRIBED IN SECTION 1.1, ABOVE, OF LESS THAN THIRTY-SIX (36) HOURS PER WEEK OR LESS THAN EIGHTEEN HUNDRED (1800) HOURS PER YEAR. PART-TIME EXPERIENCE WILL BE CONSIDERED IN PROPORTION TO FULL-TIME EXPERIENCE.

#### 1.12 CERTIFICATE HOLDER OR CERTIFIED INTERIOR DESIGNER

THE PHRASE "CERTIFICATE HOLDER" OR "CERTIFIED INTERIOR DESIGNER" SHALL HAVE THE SAME MEANING AS USED IN THESE ADMINISTRATIVE RULES AND REGULATIONS UPON COMPLETION OF THE REQUIREMENTS SET FORTH HEREIN.

#### 2.0 ADMINISTRATION OF CCIDC

#### 2.1 ADMINISTRATION

- A. NAME: CCIDC, INC., A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION (CALIFORNIA COUNCIL FOR INTERIOR DESIGN CERTIFICATION), AND HEREINAFTER REFERRED TO AS CCIDC.
- B. LOCATION OF OFFICES. THE PRINCIPAL OFFICE OF CCIDC, INC., IS AT 365 W. SECOND AVE, SUITE 221, ESCONDIDO, CALIFORNIA, 92025.
- C. DELEGATION OF CERTAIN FUNCTIONS.
  - WHENEVER IT IS STATED IN THESE ADMINISTRATIVE RULES AND REGULATIONS THAT THE ``CCIDC BOARD" OR "BOARD" MAY OR SHALL EXERCISE OR DISCHARGE ANY POWER, DUTY, PURPOSE, FUNCTION, OR JURISDICTION, THE BOARD OF DIRECTORS OF CCIDC, ELECTED AND/OR APPOINTED IN ACCORDANCE WITH THE CCIDC'S BYLAWS, SPECIFICALLY HAS RESERVED THE SAME FOR ITS OWN EXCLUSIVE ACTION.
  - 2. WHENEVER IT IS STATED THE "EXECUTIVE DIRECTOR" MAY OR SHALL EXERCISE OR DISCHARGE ANY POWER, DUTY, PURPOSE, FUNCTION, OR JURISDICTION, THAT THE EXECUTIVE DIRECTOR HAS THE AUTHORITY TO ACT THEREON. THE EXECUTIVE DIRECTOR SHALL BE APPOINTED BY THE CCIDC BOARD IN ACCORDANCE WITH THE CCIDC BYLAWS.
  - 3. ANY PARTY IN INTEREST MAY APPEAL TO THE CCIDC BOARD FOR REVIEW OF THE ACTIONS AND DECISIONS OF THE EXECUTIVE DIRECTOR.
  - 4. NOTHING HEREIN PROHIBITS THE EXECUTIVE DIRECTOR FROM RE-DELEGATING TO THEIR SUBORDINATES.
  - 5. THE POWERS AND DISCRETION CONFERRED UPON THE CCIDC BOARD TO CONDUCT HEARINGS; RECEIVE AND FILE NOTICES OF DEFENSE; DETERMINE THE TIME AND PLACE OF DISCIPLINARY HEARINGS UNDER ARTICLE 5 OF THESE ADMINISTRATIVE RULES AND REGULATIONS; SET AND CALENDAR CASES FOR HEARING; PERFORM OTHER FUNCTIONS NECESSARY TO THE BUSINESSLIKE DISPATCH OF THE BUSINESS OF THE CCIDC BOARD IN CONNECTION WITH PROCEEDINGS PRIOR TO THE HEARING OF SUCH PROCEEDINGS; MAKE AND ISSUE FINDINGS OF FACT; AND THE CERTIFICATION AND DELIVERY OR MAILING OF COPIES OF DECISIONS UNDER ARTICLE 5; ARE HEREBY DELEGATED TO AND CONFERRED UPON THE EXECUTIVE DIRECTOR, OR TO THEIR DESIGNEE.
  - 6. EMPLOYEES OR STAFF OF THE CCIDC SHALL NOT, WHILE EMPLOYED BY CCIDC, WORK OR OTHERWISE PARTICIPATE IN ANY DESIGN, CONSTRUCTION, BUILDING, OR FURNISHINGS INDUSTRY ORGANIZATIONS.

#### 3.0 APPLICATION FOR CERTIFICATION

#### 3.1 QUALIFICATION AND APPLICATION.

- A. IN ACCORDANCE WITH BUSINESS AND PROFESSIONS CODE, SECTION 5801, THE CCIDC SHALL, UPON WRITTEN REQUEST, PROVIDE ANY CERTIFIED INTERIOR DESIGNER WITH A STAMP, CERTIFICATE AND IDENTIFICATION CARD WHICH SHALL BEAR THE NAME OF AND INCLUDE A NUMBER IDENTIFYING THAT CERTIFIED INTERIOR DESIGNER. THE STAMP, CERTIFICATE AND IDENTIFICATION CARD CERTIFIES THAT THE INTERIOR DESIGNER HAS PROVIDED CCIDC WITH EVIDENCE OF PASSAGE OF AN INTERIOR DESIGN CERTIFICATION EXAMINATION APPROVED BY CCIDC AND ANY OF THE FOLLOWING:
  - 1. THEY ARE A GRADUATE OF A FOUR OR FIVE-YEAR ACCREDITED INTERIOR DESIGN DEGREE PROGRAM, AND HAS TWO YEARS OF DIVERSIFIED INTERIOR DESIGN EXPERIENCE; OR
  - 2. THEY HAVE COMPLETED A THREE-YEAR ACCREDITED INTERIOR DESIGN CERTIFICATE PROGRAM, AND HAS THREE YEARS OF DIVERSIFIED INTERIOR DESIGN EXPERIENCE; OR
  - 3. THEY HAVE COMPLETED A TWO-YEAR ACCREDITED INTERIOR DESIGN CERTIFICATE PROGRAM, AND HAS FOUR YEARS OF DIVERSIFIED INTERIOR DESIGN EXPERIENCE; OR
  - 4. THEY HAVE AT LEAST EIGHT YEARS OF INTERIOR DESIGN EDUCATION, OR AT LEAST EIGHT YEARS OF DIVERSIFIED INTERIOR DESIGN EXPERIENCE, OR A COMBINATION OF INTERIOR DESIGN EDUCATION ANDDIVERSIFIED INTERIOR DESIGN EXPERIENCE THAT TOGETHER TOTAL AT LEAST EIGHT YEARS.
- B. APPLICANTS SHALL BE REQUIRED TO SUBMIT WITH THEIR APPLICATIONS FOR CERTIFICATION A SIGNED ACKNOWLEDGMENT OF THEIR RECEIPT AND REVIEW OF THE CODE OF ETHICS AND PROFESSIONAL CONDUCT.
- C. APPLICANTS SHALL BE REQUIRED TO SUBMIT THE FOLLOWING AS EVIDENCE OF EDUCATIONAL AND/OR INTERIOR DESIGN EXPERIENCE AND PASSAGE OF THE REQUIRED INTERIOR DESIGN CERTIFICATION EXAMINATION:
  - 1. COPY OF COLLEGE TRANSCRIPT AND/OR TECHNICAL SCHOOL RECORDS WITH OFFICIAL SEAL.
  - 2. COMPLETED APPLICATION FOR CERTIFICATION LISTING DIVERSIFIED INTERIOR DESIGN EXPERIENCE.
  - 3. THROUGH DECEMBER 31, 2012, COMPLETED VERIFICATION FORM SIGNED BY AN OFFICIAL OF THE EXAMINING BODY FOR A) THE CQRID EXAM, B) OR THE NCIDQ EXAM, OR C) BOTH PARTS OF THE NKBA EXAM, VERIFYING PASSAGE OF ONE OF THESE REQUIRED INTERIOR DESIGN CERTIFICATION EXAMINATION, PLUS PASSAGE OF E) THE CCRE WHICH WILL BE PROVIDED BY CCIDC. EFFECTIVE JANUARY 1, 2013, THE IDEX CALIFORNIA WILL BE THE ONLY INTERIOR DESIGN CERTIFICATION EXAMINATION USED BY CCIDC.
- D. APPLICANTS SHALL PROVIDE A COPY OF THEIR DRIVER'S LICENSE WITH PHOTO, WITH THEIR APPLICATION FOR CERTIFICATION;
- E. APPLICANTS SHALL BE REQUIRED TO COMPLETE ANY PORTIONS OF THE APPLICATION FOR CERTIFICATION DISCLOSING ANY AND ALL FELONY CRIMINAL CONVICTIONS IN ANY JURISDICTION, INCLUDING BUT NOT LIMITED TO THE TIME AND PLACE OF THE INCIDENT RESULTING IN THE FELONY CONVICTION AND THE NATURE OF THE CONVICTION. THE APPLICANT, HOWEVER, MAY ALSO SUBMIT ALONG WITH THE APPLICATION FOR CERTIFICATION AN EXPLANATION OF THE FELONY CRIMINAL CONVICTION FOR THE BOARD'S REVIEW ALONG WITH THE APPLICATION FOR CERTIFICATION.

#### 3.2 DURATION AND RENEWAL OF CERTIFICATION.

A. EXPIRATION OF CERTIFICATION AND RENEWAL OF UNEXPIRED CERTIFICATION.

ALL CERTIFICATES ISSUED UNDER CHAPTER 3.9 OF THE BUSINESS AND PROFESSIONS CODE SHALL EXPIRE TWENTY-FOUR (24) MONTHS AFTER THE ISSUE DATE. CERTIFICATION SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL REVOKED OR SUSPENDED FOR CAUSE, OR UNTIL EXPIRATION, AND SHALL BE RENEWABLE EVERY TWO (2) YEARS. TO RENEW AN UNEXPIRED CERTIFICATE, THE CERTIFIED INTERIOR DESIGNER SHALL, ON OR BEFORE THE EXPIRATION DATE OF THE CERTIFICATION, PAY THE RENEWAL FEE AND PROVIDE PROOF OF COMPLETED CONTINUING EDUCATION COURSE REQUIREMENTS.

B. RENEWAL OF EXPIRED CERTIFICATION.

A CERTIFICATE WHICH HAS EXPIRED MAY BE RENEWED AT ANY TIME WITHIN FOUR (4) YEARS AFTER ITS EXPIRATION BY PAYING THE RENEWAL FEE IN EFFECT. IF THE CERTIFICATION IS RENEWED AFTER ITS EXPIRATION DATE, THE CERTIFICATE HOLDER, AS A CONDITION PRECEDENT TO RENEWAL, SHALL ALSO PAY THE DELINQUENT FEES OF \$25 - \$100.

RENEWAL SHALL BE EFFECTIVE ON THE DATE THE APPLICATION IS RECEIVED BY CCIDC, THE DATE ALL RENEWAL FEES ARE PAID, AND/OR THE DATE THE DELINQUENT ADMINISTRATIVE FEE, *IF* APPLICABLE, IS PAID. IF SO RENEWED, THE CERTIFICATION SHALL CONTINUE IN EFFECT THROUGH THE DATE PROVIDED, WHEN IT SHALL EXPIRE IF IT IS NOT AGAIN RENEWED. UPON RENEWAL OF CERTIFICATION AS PROVIDED ABOVE.

IF THE CERTIFICATION IS RENEWED MORE THAN THIRTY (365) DAYS AFTER ITS EXPIRATION DATE, AS A CONDITION PRECEDENT TO RENEWAL THE CERTIFICATE HOLDER SHALL PAY THE DELINQUENT REACTIVATION FEE OF \$100 IN ADDITION TO DELINQUENT FEES AS REFERENCED ABOVE AS WELL AS ALL BACK FEES DUE AT THAT TIME. FOR PURPOSES OF THIS PARAGRAPH, BACK FEES SHALL BE BASED ON ALL FEES DUE CCIDC AS IF THE CERTIFICATE HOLDER'S CERTIFICATION HAS NOT EXPIRED.

C. FAILURE TO RENEW AN EXPIRED CERTIFICATION WITHIN FOUR (4) YEARS AFTER INITIAL EXPIRATION:

A CERTIFICATE, WHICH IS NOT RENEWED WITHIN FOUR (4) YEARS AFTER ITS INITIAL EXPIRATION MAY NOT THEREAFTER BE RENEWED, RESTORED, REISSUED, OR REINSTATED. THE HOLDER OF THE EXPIRED CERTIFICATION MAY APPLY FOR RE-CERTIFICATION AND OBTAIN A NEW CERTIFICATE IF:

- 1. NO FACT, CIRCUMSTANCE, OR CONDITION EXISTS WHICH, IF THE CERTIFICATION WERE ISSUED, WOULD JUSTIFY ITS REVOCATION OR SUSPENSION;
- 2. THE APPLICANT PAYS ALL OF THE FEES WHICH WOULD BE REQUIRED OF THE APPLICANT IF THE APPLICANT WERE THEN APPLYING FOR THE CERTIFICATION FOR THE FIRST TIME; AND
- 3. THE APPLICANT TAKES AND PASSES THE CURRENT APPLICABLE INTERIOR DESIGN CERTIFICATION EXAMINATION.

#### 3.3 CERTIFICATION BY RECIPROCITY

- A. AN APPLICANT FOR CERTIFICATION BY RECIPROCITY SHALL FURNISH PROOF SATISFACTORY TO THE BOARD THAT:
  - 1. THE APPLICANT IS LEGALLY RECOGNIZED AND IN GOOD STANDING AS AN INTERIOR DESIGNER IN A JURISDICTION OF THE UNITED STATES OR CANADA WITH REQUIREMENTS THAT ARE SUBSTANTIALLY EQUIVALENT TO THE REQUIREMENTS OF CHAPTER 3.9 OF THE BUSINESS AND PROFESSIONS CODE GOVERNING CERTIFIED INTERIOR DESIGNERS IN THIS STATE; AND
  - 2. PROVIDES EVIDENCE OF PASSAGE OF THE IDEX CALIFORNIA INTERIOR DESIGN CERTIFICATION EXAMINATION.

#### 3.4 FEES AND REVENUE.

A. FEE SCHEDULES, PENALTIES, AND DELINQUENCY FEES.

THE RENEWAL FEES SHALL BE FIXED IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

- 1. THE FEE FOR THE INITIAL TWO (2) YEAR CERTIFICATION SHALL BE TWO HUNDRED SEVENTY FIVE DOLLARS TO THREE HUNDRED FIFTY DOLLARS (\$275 \$350).
- 2. The fees for a replacement certificate shall be \$50.00, a replacement I.D. Card shall be \$35.00, and a replacement stamp shall be \$75.00.
- 3. THE BIANNUAL RENEWAL FEE SHALL BE TWO HUNDRED SEVENTY-FIVE DOLLARS TO THREE HUNDRED FIFTY DOLLARS (\$275 \$350).
- 4. DELINQUENCY FEES WILL BE TWENTY-FIVE TO TWO HUNDRED DOLLARS DEPENDENT ON THE LENGTH OF THE DELINQUENCY.

#### 4.0 ISSUANCE OF CERTIFICATION

#### 4.1 ISSUANCE OF CERTIFICATION

A. UPON PROOF HAVING BEEN MADE TO THE SATISFACTION OF CCIDC THAT THE QUALIFIED APPLICANT HAS PASSED THE REQUIRED INTERIOR DESIGN CERTIFICATION EXAMINATION AND PAYMENT OF THE CERTIFICATION FEE PRESCRIBED BY SECTION 3.4, CCIDC SHALL ISSUE CERTIFICATION TO THE APPLICANT SHOWING THAT THE PERSON NAMED THEREIN IS A CERTIFIED INTERIOR DESIGNER IN THE STATE OF CALIFORNIA.

#### 4.2. GROUNDS FOR DENIAL OF APPLICATION FOR CERTIFICATION

- A. CCIDC MAY DENY OR REFUSE TO ISSUE CERTIFICATION TO ANY APPLICANT WHO DOES NOT MEET THE CRITERIA ESTABLISHED BY THESE ADMINISTRATIVE RULES AND REGULATIONS, AND CHAPTER 3.9 OF THE BUSINESS AND PROFESSIONS CODE, AS THEY NOW EXIST OR AS MAY BE HEREINAFTER ADOPTED BY THE CCIDC BOARD OR THE CALIFORNIA LEGISLATURE.
- B. CCIDC MAY DENY OR REFUSE TO ISSUE CERTIFICATION TO ANY APPLICANT WHO HAS, IN THE BOARD'S DETERMINATION UPON REVIEW OF EVIDENCE OF SAME, COMMITTED ANY ACT, OR OMISSION, WHICH IF COMMITTED BY A CERTIFIED INTERIOR DESIGNER, WOULD CONSTITUTE GROUNDS FOR DISCIPLINARY ACTION UNDER THESE ADMINISTRATIVE RULES AND REGULATIONS.

#### 4.3 RECORDS; INDEX

- A. CCIDC SHALL KEEP A RECORD OF THE NAMES AND ADDRESSES OF ALL CERTIFIED INTERIOR DESIGNERS AND SUCH ADDITIONAL PERSONAL DATA AS CCIDC DETERMINES TO BE APPROPRIATE. CCIDC SHALL MAINTAIN A PROPER INDEX AND RECORD OF EACH CERTIFICATION ISSUED.
- B. CCIDC BOARD AND/OR ITS LEGAL COUNSEL MAY DEVELOP POLICIES AND RULES REGARDING DISCLOSURE OF CONFIDENTIAL INFORMATION CONCERNING INDIVIDUAL CERTIFIED INTERIOR DESIGNERS TO THE PUBLIC.

#### 4.4 DURATION OF CERTIFICATION

- A. CERTIFICATION IS RENEWABLE EVERY TWO (2) YEARS.
- B. CERTIFICATION SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL REVOKED OR SUSPENDED FOR CAUSE, OR UNTIL EXPIRATION.

#### 4.5 REPLACEMENT OF LOST CERTIFICATES, STAMP, OR IDENTIFICATION CARD

A. A REPLACEMENT CERTIFICATE, STAMP, OR IDENTIFICATION CARD, IN PLACE OF ONE THAT HAS BEEN LOST, DESTROYED, OR MUTILATED, SHALL BE ISSUED UPON PROPER APPLICATION, SUBJECT TO THESE ADMINISTRATIVE RULES AND REGULATIONS. A REPLACEMENT FEE FIXED BY SECTION 3.4 SHALL BE CHARGED.

#### 4.6 CHANGE OF ADDRESS; NOTICE; PENALTY

A. EACH CERTIFIED INTERIOR DESIGNER SHALL NOTIFY CCIDC OF ANY CHANGE OF PREFERRED MAILING ADDRESS.

#### 4.7 USE OF STAMP AND SIGNATURE ON PLANS

A. EACH CERTIFIED INTERIOR DESIGNER WILL, UPON CERTIFICATION, RECEIVE A STAMP OF THE DESIGN AUTHORIZED BY CCIDC. EACH CERTIFIED INTERIOR DESIGNER SHALL SIGN, DATE, AND INDICATE THEIR CERTIFICATION NUMBER ON ALL PLANS, SPECIFICATIONS, AND OTHER INSTRUMENTS OF SERVICE AND CONTRACT DOCUMENTS PREPARED FOR OTHERS.

#### 4.8 USE OF TITLE CERTIFIED INTERIOR DESIGNER

- A. EACH CERTIFIED INTERIOR DESIGNER IS GRANTED PERMISSION TO USE THE TITLE "CERTIFIED INTERIOR DESIGNER" OR "CID" AND THEIR CERTIFICATION NUMBER IN CONJUNCTION WITH THEIR NAME WHILE THEIR CERTIFICATION IS IN GOOD STANDING. THE TITLE AND NUMBER SHALL NOT BE USED WITH A BUSINESS OR CORPORATE NAME, AND NO TITLE MAY BE USED IF THE INDIVIDUAL'S CERTIFICATION HAS BEEN SUSPENDED OR REVOKED. FAILURE TO COMPLY WITH THIS SECTION CONSTITUTES GROUNDS FOR DISCIPLINARY ACTION.
- B. CCIDC MAY BRING AN ACTION TO ENJOIN AN INDIVIDUAL FROM USING THE TITLE CERTIFIED INTERIOR DESIGNER OR IMPERSONATING A CERTIFIED INTERIOR DESIGNER IF THAT INDIVIDUAL IS NOT IN FACT A CERTIFIED INTERIOR DESIGNER, IF THEIR CERTIFICATION IS NOT ACTIVE IN GOOD STANDING, OR FOR SOME VALID REASON UNDER CALIFORNIA BUSINESS AND PROFESSIONS CODE SECTION 17200 OR OTHER APPLICABLE CALIFORNIA LAW.

#### 5.0 DISCIPLINE

#### 5.1 INVESTIGATIONS: SUSPENSION OR REVOCATION OF CERTIFICATION

A. CCIDC MAY, ON ITS OWN MOTION, OR UPON RECEIPT OF A VERIFIED WRITTEN COMPLAINT FROM ANY PERSON, INVESTIGATE THE ACTIONS OF ANY CERTIFIED INTERIOR DESIGNER, AND MAY REVOKE OR SUSPEND THEIR CERTIFICATION FOR A PERIOD OF NOT MORE THAN TWO YEARS IF FOUND TO HAVE COMMITTED ANY ONE OR MORE OF THE ACTS OR OMISSIONS CONSTITUTING GROUNDS FOR DISCIPLINARY ACTION UNDER THESE ADMINISTRATIVE RULES AND REGULATIONS.

#### 5.2 TIME FOR DISCIPLINARY ACTION: LIMITATION

- A. ALL COMPLAINTS AGAINST A CERTIFIED INTERIOR DESIGNER SHALL BE FILED WITHIN TWO (2) YEARS OF THE OCCURRENCE OF THE ALLEGED ACT OR OMISSION GIVING RISE TO POSSIBLE DISCIPLINARY ACTION, EXCEPT THAT A COMPLAINT ALLEGING A VIOLATION OF SECTION 5.6 MAY BE FILED WITHIN TWO (2) YEARS AFTER THE DISCOVERY BY CCIDC OF THE FACTS CONSTITUTING THE ALLEGED FRAUD OR MISREPRESENTATION PRESCRIBED BY SECTION 5.6.
- B. ANY COMPLAINT NOT FILED WITHIN THE TIME PROVIDED IN THIS SECTION SHALL BE BARRED, AND NO ACTION AGAINST A CERTIFIED INTERIOR DESIGNER SHALL BE COMMENCED UNDER THE PROVISIONS OF THIS ARTICLE 5.

#### 5.3 POWERS AND PROCEEDINGS BY THE BOARD REGARDING DISCIPLINARY MATTERS

A. THE POWERS AND PROCEEDINGS USED BY THE CCIDC BOARD RELATING TO DISCIPLINARY ACTIONS OUTLINED IN THIS ARTICLE 5 WILL BE CONSISTENT WITH APPLICABLE LAW, INCLUDING CHAPTER 5 OF PART 1 OF DIVISION 3 OF TITLE 2 OF THE GOVERNMENT CODE (SECTIONS 11500 TO 11528) AND ARTICLE 5 OF CHAPTER 3 OF PART 2 OF DIVISION 2 OF TITLE 1 OF THE CORPORATIONS CODE (SECTIONS 5340 TO 5342). ADDITIONAL POWERS AND PROCEEDINGS MAY FURTHER BE DEVELOPED BY CCIDC AND LEGAL COUNSEL WHEN DETERMINED TO BE IN THE BEST INTEREST OF CCIDC AND THE CERTIFIED INTERIOR DESIGNERS.

#### 5.4 EXPIRATION OF SUSPENDED OR REVOKED CERTIFICATION RENEWAL

- A. A SUSPENDED CERTIFICATION MAY BE ELIGIBLE FOR RENEWAL AS PROVIDED IN SECTION 3.2 DURING THE SUSPENSION PERIOD. NOTWITHSTANDING A RENEWAL OF CERTIFICATION, ANY SUSPENSION SHALL REMAIN IN EFFECT DURING THE SUSPENSION PERIOD AND A SUSPENDED CERTIFICATION MAY NOT ACT AS A CERTIFIED INTERIOR DESIGNER UNTIL THE EXPIRATION FOR THE SUSPENSION PERIOD.
- B. A REVOKED CERTIFICATION IS SUBJECT TO EXPIRATION AS PROVIDED IN THIS ARTICLE AND MAY NOT BE RENEWED. IF IT IS REINSTATED, AS DETERMINED BY CCIDC, AFTER ITS EXPIRATION, THE HOLDER OF THE REVOKED CERTIFICATION, AS A CONDITION PRECEDENT TO ITS REINSTATEMENT, SHALL PAY A REINSTATEMENT FEE IN AN AMOUNT EQUAL TO THE RENEWAL FEE IN EFFECT ON THE LAST REGULAR RENEWAL DATE BEFORE THE DATE ON WHICH IT IS REINSTATED, PLUS ALL APPLICABLE LATE FEES AND OTHER APPLICABLE CHARGES.

#### 5.5 VIOLATION AS GROUNDS FOR DISCIPLINE IN GENERAL

A. A CERTIFICATE HOLDER'S VIOLATION OF ANY OF THE PROVISIONS OF THESE ADMINISTRATIVE RULES AND REGULATIONS OR CODE OF ETHICS AND CONDUCT CONSTITUTES GROUNDS FOR DISCIPLINARY ACTION.

#### 5.6 FRAUD IN OBTAINING CERTIFICATION

A. THE FACT THAT THE HOLDER OF A CERTIFICATION HAS OBTAINED THE CERTIFICATION BY FRAUD OR MISREPRESENTATION CONSTITUTES A GROUND FOR DISCIPLINARY ACTION.

#### 5.7 FRAUD IN PERFORMANCE AS CERTIFIED INTERIOR DESIGNER

A. THE FACT THAT THE HOLDER OF A CERTIFICATION HAS BEEN FOUND BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION TO HAVE BEEN GUILTY OF FRAUD, DECEIT, OR BREACH OF CONTRACT, CONSTITUTES GROUNDS FOR DISCIPLINARY ACTION.

#### 5.8 GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

A. THE FACT THAT THE HOLDER OF A CERTIFICATION HAS BEEN FOUND BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION TO BE GUILTY OF GROSS NEGLIGENCE OR WILLFUL MISCONDUCT CONSTITUTES GROUNDS FOR DISCIPLINARY ACTION.

#### 5.9 GROSS INCOMPETENCE

A. THE FACTS THAT THE HOLDER OF A CERTIFICATION HAS BEEN FOUND GUILTY OF GROSS INCOMPETENCE BY A COURT OR OTHER FORUM OF COMPETENT JURISDICTION CONSTITUTE GROUNDS FOR DISCIPLINARY ACTION.

#### 5.10 SIGNING OTHERS' PLANS OR INSTRUMENTS; PERMITTING MISUSE OF NAME

A. THE FACT THAT THE HOLDER OF A CERTIFICATION HAS AFFIXED THEIR SIGNATURE, OR STAMP, OR HAS PERMITTED THE USE OF THEIR NAME TO, OR ON PLANS, DRAWINGS, SPECIFICATIONS, OR OTHER INSTRUMENTS OF SERVICE NOT PREPARED BY HIM/HER OR UNDER THEIR IMMEDIATE AND RESPONSIBLE DIRECTION, OR HAS PERMITTED THEIR NAME, SIGNATURE, OR STAMP TO BE USED FOR THE PURPOSE OF ASSISTING ANY PERSON, NOT A CERTIFIED INTERIOR DESIGNER, TO EVADE THE PROVISIONS OF THIS SECTION, CONSTITUTES A GROUND FOR DISCIPLINARY ACTION.

#### 5.11 NOTIFICATION ISSUANCE; CONTENTS; SERVICE; REVIEW OF VIOLATION; FINDINGS OF FACT

A. CCIDC MAY, UPON RECEIPT OF A VERIFIED WRITTEN COMPLAINT, OR ON ITS OWN MOTION, REVIEW AND INVESTIGATE ANY ACTIONS AND ALLEGED VIOLATION(S) OF ANY CERTIFIED INTERIOR DESIGNER, OR NON-CERTIFIED INTERIOR DESIGNER. CCIDC, OR ITS AUTHORIZED REPRESENTATIVE, MAY CONTACT SUCH PERSON TO DISCUSS AND RESOLVE THE ALLEGED VIOLATION. UPON CONCLUSION OF THE REVIEW, THE CCIDC'S AUTHORIZED REPRESENTATIVE SHALL PREPARE A FINDING OF FACT AND A RECOMMENDATION BASED UPON THE FINDING TO WHICH THE CCIDC BOARD SHALL GIVE DUE CONSIDERATION IN DETERMINING WHETHER CAUSE FOR DISCIPLINARY ACTION EXISTS. IF, UPON COMPLETION OF SUCH REVIEW AND INVESTIGATION, THE CCIDC BOARD HAS CAUSE TO BELIEVE THAT A CERTIFIED INTERIOR DESIGNER OR A NON-CERTIFIED INTERIOR DESIGNER HAS VIOLATED THE PROVISIONS OF THIS ARTICLE 5.0, THEY SHALL SO NOTIFY SUCH INDIVIDUAL IN WRITING ("NOTIFICATION"). SUCH NOTIFICATION SHALL BE IN WRITING AND SHALL DESCRIBE WITH PARTICULARITY THE NATURE OF THE ALLEGED VIOLATION, INCLUDING A REFERENCE TO THE PROVISION OF THIS ARTICLE 5.0 ALLEGED TO HAVE BEEN VIOLATED. THE NOTIFICATION SHALL BE SERVED UPON SUCH PERSON BY REGISTERED OR CERTIFIED MAIL OR AS OTHERWISE REQUIRED BY LAW

#### 5.12 CONTEST OF NOTIFICATION PROCEDURE

- A. IF A CERTIFIED INTERIOR DESIGNER OR AN NON-CERTIFIED INTERIOR DESIGNER DESIRES TO CONTEST A NOTIFICATION HE OR SHE SHALL, WITHIN TEN (10) BUSINESS DAYS AFTER SERVICE OF THE NOTIFICATION NOTIFY THE EXECUTIVE DIRECTOR OF CCIDC IN WRITING OF THEIR REQUEST FOR AN INFORMAL CONFERENCE WITH THE EXECUTIVE DIRECTOR, OR THEIR DESIGNEE. THE EXECUTIVE DIRECTOR OR THEIR DESIGNEE SHALL, WITHIN SIXTY DAYS (60) FROM THE RECEIPT OF THE REQUEST, HOLD AN INFORMAL CONFERENCE, AT THE CONCLUSION OF WHICH THEY MAY AFFIRM, MODIFY, OR DISMISS THE NOTIFICATION. THE EXECUTIVE DIRECTOR OR THEIR DESIGNEE SHALL STATE WITH PARTICULARLY, IN WRITING, THEIR REASONS FOR SUCH ACTION, AND SHALL IMMEDIATELY TRANSMIT A COPY TO EACH PARTY TO THE ORIGINAL COMPLAINT.
  - 1. IF THE CERTIFIED INTERIOR DESIGNER OR NON-CERTIFIED INTERIOR DESIGNER DESIRES TO CONTEST A DECISION MADE AFTER THE INFORMAL CONFERENCE, THEY SHALL INFORM THE EXECUTIVE DIRECTOR IN WRITING WITHIN TEN (10) BUSINESS DAYS AFTER THEY RECEIVES THE DECISION RESULTING FROM THE INFORMAL CONFERENCE.
- B. IF THE CERTIFIED INTERIOR DESIGNER OR NON-CERTIFIED INTERIOR DESIGNER FAILS TO NOTIFY THE EXECUTIVE DIRECTOR IN WRITING THAT THEY INTENDS TO CONTEST THE NOTIFICATION OR THE DECISION MADE AFTER AN INFORMAL CONFERENCE WITHIN THE TIME SPECIFIED IN THIS SECTION, THE NOTIFICATION OR THE DECISION MADE AFTER THE INFORMAL CONFERENCE SHALL BE DEEMED A FINAL ORDER OF CCIDC AND SHALL NOT BE SUBJECT TO FURTHER ADMINISTRATIVE REVIEW.
- C. WHERE A CERTIFIED INTERIOR DESIGNER OR A NON-CERTIFIED INTERIOR DESIGNER HAS IN A PRESCRIBED MANNER NOTIFIED THE EXECUTIVE DIRECTOR OF THEIR INTENT TO CONTEST THE DECISION MADE AFTER THE INFORMAL CONFERENCE, THE CCIDC BOARD SHALL AFFORD AN OPPORTUNITY FOR A HEARING. THE CCIDC BOARD SHALL THEREAFTER CONDUCT A HEARING AND RECEIVE EVIDENCE AND/OR TESTIMONY IN SUPPORT OR DENIAL OF THE COMPLAINT. BASED ON ITS REVIEW OF THE EVIDENCE AND/OR TESTIMONY PRESENTED AT THE HEARING AND ITS FINDINGS OF FACT, THE CCIDC BOARD SHALL ISSUE A DECISION AFFIRMING, MODIFYING, OR VACATING THE NOTIFICATION, OR DIRECTING OTHER APPROPRIATE RELIEF WHICH SHALL INCLUDE, BUT NOT BE LIMITED TO, AN ORDER THAT A CERTIFIED INTERIOR DESIGNER'S OR AN NON-CERTIFIED INTERIOR DESIGNER'S FAILURE TO COMPLY WITH ANY PROVISION OF CCIDC BOARD'S DECISION CONSTITUTES GROUNDS FOR SUSPENSION, DENIAL OR REVOCATION OF CERTIFICATION. THE CCIDC BOARD'S DECISION AFTER HEARING SHALL BE FINAL. ALL SUCH ACTION TAKEN HEREIN BY THE CCIDC BOARD MAY FURTHER BE TAKEN BY A COMMITTEE OF THE CCIDC BOARD, IF PERMITTED BY THE BY-LAWS OF CCIDC.
- D. THE RIGHTS OF ANY CERTIFIED INTERIOR DESIGNER TO APPEAL THE BOARD'S FINAL DECISION SHALL BE SUBJECT TO APPLICABLE LAWS, INCLUDING BUT NOT LIMITED TO THE ONE YEAR STATUTE OF LIMITATIONS OUTLINED IN SECTIONS 5340 OR 53410F THE CALIFORNIA CORPORATIONS CODE.

#### **ARTICLES OF INCORPORATION**

#### OF

#### CALIFORNIA COUNCIL FOR INTERIOR DESIGN CERTIFICATION

The undersigned incorporator, for the purpose of forming a nonprofit corporation under the laws of the state of California, hereby certifies:

I.

The name of the corporation is "California Council for Interior Design Certification"

II.

A. This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

B. This corporation does not contemplate any distribution prohibited by Chapter 4 of Part 3 of Division 2 of Title 1 of the California Corporations Code.

III.

The name and address of the corporation's initial agent for service of process in Califonia is the Prentice-Hall Corporation System, Inc.

IV.

A. The specific purpose of the corporation is to promote the general welfare of all persons engaged in the profession of interior design and to administer the process of and rules and regulations governing certification of interior designers in the State of California.

B. No part of the net earnings of the corporation shall inure to the benefit of any member or private individual except upon dissolution.

V.

Notwithstanding any of the above statements of purposes and powers, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in futherance of the specific purpose of the corporation set fort in Article IV above.

6/16/92

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation.

Dated: / December 1/99/

Plathan fkin. Kenneth Ĥ.

06/16/1992

#### BY-LAWS OF CCIDC, INC. dba CALIFORNIA COUNCIL FOR INTERIOR DESIGN CERTIFICATION

#### **A Nonprofit Public Benefit Corporation**

#### RECITALS

#### <u>Purpose</u>

This Corporation is a non-profit public benefit corporation organized solely for public purposes under relevant provisions of the California Corporations Code. The Corporation's Mission Statement is to establish and implement professional standards and educational requirements, educate the public, and facilitate interior design professional's compliance with our standards and code of ethics in order to provide for the protection, health, safety and welfare of the public.

#### **ARTICLE I - OFFICES**

#### Principal Office

Section 1.01. The principal office of the Corporation for its transaction of business is 1605 Grand Avenue, Suite 4, San Marcos, CA 92078.

#### Change of Address

Section 1.02. The Board of Directors is hereby granted full power and authority to change the principal office of the Corporation from one location to another County in the State of California. Any such change shall be noted by the Secretary in these By-laws but shall not be considered an amendment of these By-laws.

#### **ARTICLE II – CERTIFICATE HOLDERS**

#### Classification of Certificate Holders

<u>Section 2.01</u>. The Corporation shall have one (1) class of Certificate Holders, and each Certificate Holder shall have equal rights. No person shall hold more than one Certificate in the Corporation.

#### Eligibility for Certificate Holder

<u>Section 2.02</u>. Any person, as defined in Section 5065 of the Corporations Code, who also qualifies under Section 5800 et seq of the California Business and Professions Code, is eligible to be a Certificate Holder of the Corporation, except that, in the case of a natural person, such person shall not be eligible for Certificate Holder unless over the age of eighteen (18) years.

#### Qualification of Certificate Holder

<u>Section 2.03</u>. Certificate Holders of the Corporation shall be limited to persons who meet the qualifications set forth in Division 3, Chapter 3.9 (Section 5800 et. seq.) of the California Business and Professions Code, or successor statutes, and who are certified as Certified Interior Designers ("CIDs") in this State in accordance with the terms and conditions contained in these By-laws and the Administrative Rules and Regulations of the Corporation.

#### Admission to Certificate Holder

<u>Section 2.04</u>. Any person eligible and qualified to be a Certificate Holder under these By-laws shall be admitted to become a Certificate Holder upon the approval of the Corporation (or Compliance Committee of the Board of Directors that is duly authorized, by resolution, to admit Certificate Holders) and submission of an application submitted by such person in such form and in such manner as shall be prescribed by the Corporation, and upon the payment of the minimum annual fees, if any, outlined in these By-laws and/or the Administrative Rules and Regulations of the Corporation.

#### Certificate Holder's Term

<u>Section 2.05</u>. The term of a Certificate Holder's certification shall continue until terminated as provided in these By-laws, the Administrative Rules and Regulations, or the Code of Ethics and Conduct.

#### Certificate Holder's Fees

<u>Section 2.06</u>. The minimum annual fees, and other fees payable to the Corporation by Certificate Holders shall be as provided in the Administrative Rules and Regulations of the Corporation.

#### Assessments

Section 2.07. Certificate Holder's rights and interests in the Corporation shall be non-assessable.

#### Number of Certificate Holders

<u>Section 2.08</u>. Except as may be provided by law, there shall be no limit on the number of Certificate Holders the Corporation may admit.

#### Transferability of Certificate

<u>Section 2.09</u>. Certification in the Corporation is personal to the Certificate Holders, and neither the Certificate Holders of the Corporation nor any rights of their certification may be transferred or assigned for value or otherwise, whether voluntarily or by operation of law.

#### Record of Certificate Holders

Section 2.10. The Corporation shall keep, in written form (or in any form capable of being converted into written form), records containing the name, address of each Certificate Holder. The records shall also contain the fact of termination and the date on which such certification ceased. Such records shall be kept in the principal office of the Corporation and shall be subject to the rights of inspection required by law and as set forth in these By-laws; provided, however, the Corporation shall not be required to disclose personal or confidential information to any third party.

#### Non-liability of Certificate Holders

<u>Section 2.11</u>. A Certificate Holder of the Corporation shall not, under any circumstances, by reason of such certification in the Corporation, become or be personally liable for any of the debts, obligations, or liabilities of the Corporation.

#### Voting Rights

Section 2.12. Except as is required by applicable law, Certificate Holders shall not have any vote in the affairs of the Corporation.

#### Termination of Certification

#### <u>Causes</u>

Section 2.13.

(a) All rights of certification of a Certificate Holder shall automatically terminate on the occurrence of any of the following causes:

- (1) The voluntary resignation of a Certificate Holder;
- (2) Where a certification is issued for a period of time, the expiration of such period of time;
- (3) The death of a Certificate Holder;

(4) The expulsion, revocation, or suspension of a Certificate Holder's certification in the Corporation;

(5) The dissolution of corporate Certificate Holders; or

(6) The non-payment of fees and other charges outlined in the Administrative Rules and Regulations of the Corporation.

#### Effect of Termination

(b) The rights of a Certificate Holder in the Corporation shall cease on the termination of such Certificate Holder's certification with the Corporation.

#### Expulsion, Revocation, or Suspension of a Certificate Holder

<u>Section 2.14</u>. A Certificate Holder may be expelled as a Certificate Holder of the Corporation, or may have their certification with the Corporation revoked or suspended; for the nonpayment of the Certificate Holder's financial obligations to the Corporation, for conduct as a Certificate Holder which is found by the Corporation to be in violation of these By-laws; the Administrative Rules and Regulations, or Code of Ethics and Conduct adopted by the Corporation; or for conduct which is detrimental to the interests of the Corporation or the other Certificate Holders of the Corporation. Expulsion of a Certificate Holder or revocation of such Certificate Holder's certification in the Corporation, notice to such Certificate Holder, appeals, and other actions related to the revocation, suspension, or expulsion of a Certificate Holder shall occur by action of the Board and in accordance with methods and procedures outlined in the Administrative Rules and Regulations of the Corporation. A Certificate Holder shall have no voting rights if expelled or if such Certificate Holder's certification is suspended or revoked. A Certificate Holder shall further have no voting rights during the period such Certificate Holder's certification is suspended.

#### Certificate Holders' Meetings

<u>Section 2.15</u>. Meetings of the Certificate Holder's shall only occur as required, and upon the terms and conditions, by the Corporations Code or other applicable law.

#### **ARTICLE III - BOARD OF DIRECTORS**

#### Classification of Board of Directors

<u>Section 3.01</u>. The Corporation shall have one (1) class of Directors only, and each Director shall have equal voting and other rights. No person shall hold more than one (1) directorship position on the Board of Directors in the Corporation.

#### Eligibility for Board of Directors

<u>Section 3.02</u>. Any person, as defined in Section 5065 of the Corporations Code, is eligible to be a Director of the Corporation, except that, in the case of a natural person, such person shall not be eligible for Director unless over the age of eighteen (18) years.

#### Qualification of the Board of Directors

<u>Section 3.03</u>. Any person eligible for the Board of Directors under Article III of these By-laws is qualified for the Board of Directors only after such person has satisfied that, if such person be a corporation, that the corporation is in good standing; and that if such person be a natural person, that such person is of good moral character and in sympathy with the objectives of this Corporation. All Directors shall be residents of California. Except for the Public Directors, all Directors must further be qualified as Certificate Holders as provided in Article II of these By-laws.

(a) Except for the Independent Director, all Professional Interior Design Directors shall be professional members in good standing of their respective designated organization for the duration of their term on the Corporation's Board of Directors, as defined in Article III, Section 3.04(a).

(b) Employees of the Corporation are not eligible to serve on the Board.

#### Number of Directors

<u>Section 3.04</u>. The authorized number of Directors of the Corporation is eleven (11). The eleven (11) Directors of the Corporation shall consist of:

(a) One member holding membership in each of the following five (5) interior design organizations (hereinafter referred to as the "Professional Interior Design Directors"):

- (1) ASID;
- (2) IDS;
- (3) IFDA;
- (4) IIDA; and
- (5) NKBA.

As Directors of the Corporation, there shall be no requirement that any one or more of the Professional Interior Design Directors have any formal, fiduciary, or other direct relationship with the interior design organizations listed above.

(b) One (1) member not affiliated with any of the above-listed professional interior design organizations (the "Independent Director");

(c) One director who is an interior design educator (the "Education Director"); and

(d) Four (4) individuals who shall not be professionally familiar and associated with the design, construction, building, or furniture industries (the "Public Directors").

#### Term, Appointment, and Election of Directors

Section 3.05. Of the eleven (11) Directors of the Board, six (6) shall be appointed in the manner provided in this Article III, and five (5) shall be appointed by the Nominating Committee established by the Board as provided in these By-laws.

#### Initial Directors

(a) There are currently ten (10) Directors for the Corporation, with the one vacancy to be filled in accordance with these By-laws at the Directors meeting scheduled for September 25, 2010, in San Diego, California. As such, reference in these Bylaws to the appointment of initial Directors is unnecessary.

#### Successor Directors

(b) The appointment of Successor Directors for the Corporation shall occur in the following manner:

#### Professional Interior Design Directors

(1) In the event a Professional Interior Design Director's term expires or terminates, then the Board shall solicit from the interior design profession and industry names of prospective candidates to serve as a successor for such Professional Interior Design Director position. Among such candidates, the Nominating Committee may select for ratification by the Board a person from such list of candidates to serve as the next Professional Interior Design Director for such position. Further provided, the Directors shall place greater consideration for a candidate if such candidate is endorsed by the respective interior design organization.

#### Independent Director

(2) Subsequent to the initial appointment and upon expiration of the Independent Director's initial term, the Independent Director shall recommend candidates to serve as a Director in his or her place and stead. The Board may further solicit and/or accept nominations from other qualified methods. Among such candidates, the Nominating Committee of the Board may select for ratification by the Board one (1) person from such list of candidates to be the next Independent Director.

#### Public Directors

(3) Subsequent to the initial appointment and upon expiration of a Public Director's term, the Board shall solicit from the interior design profession and industry names of prospective candidates to serve as a successor Public Director(s). Among such candidates, the Nominating Committee may select for ratification by the Board one (1) or more persons from such list of candidates to serve as the next Public Director(s).

#### Miscellaneous Provisions Relating to Directors

(c) Except as otherwise provided in these By-laws, all vacancies on the Board shall be filled by the Nominating Committee upon ratification by the Board.

(d) Except as otherwise provided in these By-laws, each elected or appointed Director shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

(e) No Director shall serve more than two (2) full consecutive terms.

(f) A Director who has previously served two (2) full consecutive three-year terms may be renominated to the Board after a one (1) three-year term break.

(g) To the extent it is possible, the membership of the Board should reasonably reflect representation from the various geographic areas of the state.

(h) No Director shall move from one class of seat on the Board to another class of seat without one (1) three-year term break in order to serve beyond two (2) full consecutive three-year terms.

#### Resignation and Removal of Directors

Section 3.06. The Board may declare vacant the office of a Director who is subject to those termination events outlined in this Article III.

#### Assessments

Section 3.07. Directorships shall be non-assessable.

#### Transferability of Directorship

<u>Section 3.08</u>. Neither the Directors of the Corporation nor any rights associated with such directorship may be transferred or assigned for value or otherwise.

#### Board of Directors Membership Book

Section 3.09. The Corporation shall keep, in written form (or in any form capable of being converted into written form), a directorship book containing the name, address of each member of the Board of Directors. The book shall also contain the facts of termination and the date on which such membership to the Board of Directors ceased. Such book shall be kept in the principal office of the Corporation and shall be subject to the rights of inspection required by law, and as set forth in these By-laws; provided, however, the Corporation shall not disclose personal or confidential information regarding any member of the Board of Directors.

#### Inspection Rights of Members of the Board of Directors

#### <u>Demand</u>

#### Section 3.10.

(a) Subject to the Corporation's right to set aside a demand for inspection pursuant to Section 6310 et. seq. of the Corporations Code and the power of the court to limit inspection rights pursuant to relevant provisions of the Corporations Code, and unless the Corporation provides a reasonable alternative as provided in these By-laws, a Director satisfying the qualifications set forth hereinafter may do either or both of the following:

(1) Inspect and copy all records available to such Director pursuant to applicable provisions of the Corporations Code, at reasonable times, on five (5) business days' prior written demand on the Corporation, which demand shall state the purpose for which the inspection rights are requested; or

(2) Obtain from the Secretary of the Corporation, on written demand and tender of a reasonable charge, copies of all records available to such Director pursuant to applicable provisions of the Corporations Code. The demand shall state the purpose for which the list is requested. The records shall be available on or before the later of ten (10) business days after the demand is received or after the date specified therein as the date as of which the list is to be compiled.

#### Directors Permitted to Exercise Rights of Inspection

(b) The rights of inspection set forth in Section 3.10(a) of these By-laws may be exercised by the following:

(1) Any Director, for a purpose reasonably related to such Director's interest as a Director;

(2) The authorized number of Directors for a purpose reasonably related to the Directors' duties and responsibilities as Directors of the Corporation.

#### Alternative Method of Achieving Purpose

(c) The Corporation may, within ten (10) business days after receiving a demand pursuant to Section 3.10(a) of these By-laws, deliver to the Director or Directors making the demand, a written offer of an alternative method of achieving the purpose identified in said demand without providing access to or a copy of such records the Board of Directors. An alternative method, which reasonably and in a timely manner accomplishes the proper purpose set forth in a demand made pursuant to these By-laws, shall be deemed reasonable; unless within a reasonable time after acceptance of the offer, the Corporation fails to do those things which it offered to do. Any rejection of the offer shall be in writing and shall indicate the reasons the alternative proposed by the Corporation does not meet the proper purpose of the demand made pursuant to Section 3.10(a) of these By-laws.

#### Denial of Request

(d) If the Corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a Director's duties and responsibilities as a Director, the Corporation may deny the Director access to the list of Certificate Holders and the list of the Board of Directors.

#### Authorized Inspectors

(e) Any inspection and copying under these By-laws may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts.

#### Non-liability of Directors

<u>Section 3.11</u>. A Director of the Corporation shall not, under any circumstances, by reason of such membership to the Board of Directors, become or be personally liable for any of the debts, obligations, or liabilities of the Corporation.

#### Termination of Directorship to Board of Directors

<u>Section 3.12</u>. A Director's directorship to the Board of Directors, and all rights of membership to the Board of Directors shall automatically terminate on the occurrence of any of the following events:

(a) The voluntary resignation of a Director;

(b) Where a membership to the Board of Directors is issued for a period of time, the expiration of such period of time;

(c) The death of a Director;

(d) The dissolution of one of the interior design organization listed in Section 3.04(a). In such event, the acting Professional Interior Design Director associated with such dissolved interior design organization shall act as Director for the remainder of their term. Upon the expiration of such Director's term, the Board vacancy shall be thereafter filled by the appointment of a Professional Interior Design

Director with membership in good standing with any of the interior design organizations listed in Section 3.04(a).

- (e) The Director has been declared of unsound mind by a final order of court;
- (f) The Director has been convicted of a felony;

(g) The Director has failed to attend at least fifty percent (50%) of all scheduled meetings of the Board of Directors determined within a twelve (12) consecutive month period of time;

(h) The removal of a Director as provided in these By-laws; or

(i) As otherwise required by applicable provisions of California law.

#### Reduction in Number of Directors

<u>Section 3.13</u>. Any reduction in the number of Directors on the Board shall not act to remove any Director prior to the expiration of such Director's term of office, with the reduction in the number of Directors of the Corporation also being effective only after such matter is approved by the requisite number of Directors at a duly called meeting of the Directors as provided for in these By-laws.

#### Procedure for Termination

<u>Section 3.14</u>. If grounds appear to exist for terminating a Director under Article III of these Bylaws, the following procedure shall be followed:

(a) Upon the vote of at least two-thirds (2/3) of the Board, the Board shall give the Director at least fifteen (15) days' prior notice of the proposed termination and the reasons for the proposed termination by personal delivery or other method customary to the Board. Notice shall be given by any method reasonably calculated to provide actual notice. In the event notice by personally delivery or by such other customary method is ineffective, the Board's may give notice by mail sent by first-class, postage pre-paid, to the Director's last address as shown on the Corporation's records in the same time frame as outlined in this subparagraph.

(b) The Director shall be given an opportunity to be heard by the Board, or an appropriate committee of the Board, either orally or in writing, at least five (5) days before the effective date of the proposed termination. The hearing shall be held, or the written statement considered, by the Board or by a committee authorized by the Board to determine whether the termination should occur.

(c) The Board, or an appropriate committee of the Board, shall decide whether the Director should be terminated. All decisions of the Board, or an appropriate committee of the Board, shall be final with regard to termination of Directors.

(d) All Directors agree that, by their appointment to the Board of Directors, any action challenging the termination, including a claim alleging defective notice, must be commenced within one (1) year after the date of the termination of their directorship with the Corporation.

(e) It is the intent of the Corporation that, unless required by the Corporations Code or other applicable law, that the Certificate Holders of the Corporation have no voting rights to elect, appoint, or remove Directors of the Corporation, and shall have no right to remove any or all the Directors of the Corporation.

#### Effect of Termination

<u>Section 3.16</u>. The rights of a former Director in the Corporation shall immediately cease on the termination date of such Director's membership.

#### Replacement of Removed or Terminated Director

Section 3.17. The replacement of the Director whose directorship on the Board was terminated or expired shall occur in the same manner, and upon the same terms, conditions, and timeliness as outlined in Sections 3.04 and 3.05 of these By-laws relating to the appointment of successor Directors, or as otherwise provided for herein. In the event, however, that such vacancy has not been filled as provided in this Article III within thirty (30) days that the vacancy began, then the Board shall fill such vacancy by the vote of a majority of the Directors at a duly called and noticed meeting of the Directors until such vacancy is otherwise filled as provided in these By-laws. In the event the Directors are unable to obtain a majority vote for the appointment of a temporary Director to fill such a vacancy, then the Chairperson of the Board of the Corporation shall be the tiebreaker in any such actions of the Directors to determine which nominee shall act as a temporary Director of the Board to fill such vacancy.

#### Compensation of Directors

<u>Section 3.18</u>. The Directors shall not be compensated by the Corporation; provided, however, that a Director may be entitled to reimbursement of costs incurred by such Director in direct relation to the Director's services as a Director of the Corporation that are approved by the Board of Directors.

#### **ARTICLE IV - MEETINGS OF BOARD OF DIRECTORS**

#### Place

<u>Section 4.01</u>. Meetings of the Board of Directors shall be held at the principal office of the Corporation, or at such other location within the State of California as may be designated from time to time by the Board of Directors.

#### Date and Time

<u>Section 4.02</u>. The Directors shall meet at least annually each year for the purpose of transacting such proper business as may come before the meeting. If the day fixed for the regular meeting of Directors falls on a legal holiday, such meeting shall be held at the same hour and place on the next succeeding day.

#### Special Meetings

Section 4.03. Special meetings of Directors shall be called by a majority of the Board of Directors, the Chairperson of the Board of Directors, or the Executive Director of the Corporation to be held at the principal office of the Corporation or at such times and places within the State of California as may be ordered by resolution of the Board of Directors. Where the purpose of the special meeting is the removal of Directors and the election of their replacement, a majority of the Directors of the Corporation may call special meetings for such purpose. No business, other than the business that was set forth in the notice of the special meeting, may be transacted at a special meeting.

#### Notice of Meetings

Section 4.04. Written notice of every meeting of Directors shall be sent to the Directors via email or sent to the Directors some other reliable form of electronic communication no later than twenty (20) days before the date of the meeting to each Director who on the record date for notice of the meeting is entitled to vote thereat. There shall be some form of proof of delivery available to the Corporation when using electronic communications or facsimile to deliver notices to the Directors of meetings. In the event given by mail or other means of written communication, the notice shall be addressed to the Director at the address of such Director appearing on the books of the Corporation or at the address given by the Director to the Corporation for the purpose of notice. Where no such address appears or is given, notice shall be given at the principal office of the Corporation or by publication in any newspaper of general circulation in the county in which the principal office of the Corporation is located. The Secretary or Assistant Secretary of the Corporation, or any transfer agent specially designated by the Secretary or Assistant Secretary for the

purpose herein mentioned, shall execute an affidavit of the giving of the notice of the meeting of Directors. In the case of a specially called meeting of Directors, notice that a meeting will be held at a time requested by the person or persons more than ninety (90) days after receipt of the written request from such person or persons by the Chairperson of the Board, the President, Vice-Chairpersons, or Secretary of the Corporation, shall be sent to the Directors forthwith and in any event no later than twenty (20) days after the request was received.

(a) When a Directors' meeting is adjourned to another time or place, and if the adjournment is for more than forty-five (45) days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Director of record entitled to vote at the meeting.

#### Contents of Notice

<u>Section 4.05</u>. The notice shall state the place, date, and time of the meeting. In the case of regular meetings, the notice shall state those matters which the Board of Directors at the time the notice is given, intends to present for action by the Directors. The notice of any meeting at which Directors are to be elected, or whose appointment is to be confirmed, shall include the names of all those who are nominees or appointees at the time the notice is given to the Directors. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted.

#### Notice of Certain Agenda Items

<u>Section 4.06</u>. Approval by the Directors of any of the following proposals, other than by unanimous approval by those Directors entitled to vote, is valid only if the notice or written waiver of notice states that general nature of the proposal or proposals:

(a) Removing a Director;

(b) Amending the Articles of Incorporation, these By-laws, the Administrative Rules and Regulations, or the Code of Ethics and Conduct of the Corporation; or

(d) Electing to wind up and dissolve the Corporation.

#### Waivers, Consents, and Approvals

Section 4.07. The transactions of any meeting of Directors, however called and noticed, and wherever held, shall be as valid as though at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote but not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

#### Quorum

<u>Section 4.08</u>. A quorum at any meeting of Directors shall consist of seventy percent (70%) of the Directors represented in person and entitled to vote. For purposes of this By-law, "entitled to vote" is defined as the power to vote for the election of Directors at the time any determination of voting power is made and does not include the right to vote on the happening of some condition or event which has not yet occurred.

#### Loss of Quorum

<u>Section 4.09</u>. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business until the withdrawal of enough Directors leave less than a quorum, if such action taken, other than adjournment, is approved by at least a majority of Directors required to constitute a majority of a quorum.

#### Adjournment for Lack of Quorum

<u>Section 4.10</u>. In the absence of a quorum, any meeting of Directors may be adjourned from time to time by the vote of a majority of the votes represented either in person or by proxy, but no other business may be transacted except as provided in Section 4.09 of these By-laws.

#### Voting of Board of Directors

#### One Vote Per Director

Section 4.11. Each Director is entitled to one vote on each matter submitted to a vote of the Directors.

#### Indivisible Interest in Single Membership in Board of Directors

#### (a) (Not applicable).

#### Membership in Board of Directors in Two or More Names

(b) Where a membership in Board of Directors stands of record in the names of two (2) or more persons, whether fiduciaries, members or representatives of a partnership or other organization, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, or otherwise, or if two (2) or more persons (including proxy holders) have the same fiduciary relationship respecting the same membership, unless the Secretary of the Corporation is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect: if only one (1) person votes, such act shall bind both or all persons; and if more than one (1) person votes in varying manners, the act of the majority so voting shall bind all persons.

#### Record Date of Membership in Board of Directors

(c) The record date for the purpose(s) of determining the Directors entitled to vote at and to notice a meeting of Directors, is thirty (30) days before the date of the meeting of Directors.

#### Cumulative Voting

(d) Cumulative voting shall not be authorized for the election of Directors or for any other purpose.

#### Proxy Voting

(e) Directors entitled to vote shall not be permitted to vote or act by proxy. Any amendment of this provision creating or expanding proxy rights shall be adopted with approval by the Directors. For purposes of this provision of these By-laws, "approval by the members" shall assume the same definition set forth in relevant provisions of the Corporations Code.

#### More than One (1) Director Claiming Rights to Directorship Position

(f) In the event more than one (1) person attends a meeting of the Board claiming to be a Director of the Corporation's Board, the Corporation shall not allow either person to vote at the meeting. The Corporation shall thereafter conduct an investigation and determine which person is lawfully entitled to act as Director.

#### Action Without Meeting by Written Ballot

#### **Ballot Requirements**

Section 4.12.

(a) Any action which may be taken at any regular or special meeting of Directors may be taken without a meeting. If an action is taken without a meeting, the Corporation shall distribute a written ballot to every Director entitled to vote on the matter. The ballot 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. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and 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.

#### Solicitation of Ballots

(b) Ballots shall be solicited in a manner consistent with the requirements of giving notice of meetings set forth in Section 4.04 of these By-laws, and of voting by written ballot set forth in Section 4.12 of these By-laws. All such solicitations shall indicate the number of responses needed to meet the quorum requirements and shall state the percentage of approvals necessary to pass the measure submitted. The solicitation shall specify the time by which the ballot must be received in order to be counted.

(c) Action under this Section 4.12 is only an optional method.

#### Conduct of Meetings

#### Chairperson of the Board

Section 4.13.

(a) The Chairperson of the Board or, in his or her absence, the Vice-Chair, or any other person chosen by a majority of the voting Directors, present in person shall be Chairperson of and shall preside over the meetings of the Directors.

#### Secretary of Meetings

(b) The Secretary of the Corporation shall act as the secretary of all meetings of Directors; provided that in his or her absence, the Chairperson of the meetings of Directors shall appoint another person to act as secretary of the meetings.

#### Rules of Order

(c) The Robert's Rules of Order, as may be amended from time to time, shall govern the meetings of Directors insofar as such rules are not inconsistent with or in conflict with these By-laws, the Articles of Incorporation of this Corporation, or applicable law.

#### Required Vote of the Directors

Section 4.15. 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 is the act of the Directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting. Notwithstanding any provision to the contrary, the following matters require the minimum approval of the number of Directors as specified in these By-laws:

(a) Adoption, amendment or repeal of Articles of Incorporation, By-laws, Administrative Rules and Regulations or Code of Ethics and Conduct; or

(b) Appointment of a Chairman of the Board, Vice-Chair, Treasurer, and Secretary.

(c) An increase or reduction in the number of Directors serving on the Board.

### ARTICLE V – POWERS AND RESPONSIBILITIES OF THE BOARD

#### Powers and Responsibilities of the Board.

Section 5.01. The powers and responsibilities of individual Directors of the Board shall be as follows:

(a) Administer and enforce all provisions of the certification criteria established by California law, as defined in the Administrative Rules and Regulations and subsequent provisions as approved and adopted by the Corporation's Board.

(b) Monitor all changes and revisions in California State law with regard to the certification criteria and adopt provisions as necessary to maintain compliance.

(c) Review and approve all applications for certification.

(1) The Board shall not be required to review each and every application for certification. The Board shall direct the Executive Director and the staff of the Corporation. The Executive Director and the Corporation's staff shall thoroughly examine each application for certification to ensure each applicant's satisfaction of conformance with the certification criteria. The Executive Director and the Corporation's staff shall then present those applications to the Board for signed approval by a Director. The Board may randomly sample the applications in order to verify conformance with the certification criteria.

(2) It will also be the Board's responsibility to monitor and ensure that all applicants who are denied certification are properly and timely notified with regard to the denial of their application for certification and the reason(s) for such denial so that they may remedy their qualifications or requirements and to meet the certification criteria. This task will also be carried out by the Executive Director and Corporation staff.

(d) Interpret and enforce the Code of Ethics and Conduct for Certified Interior Designers established by the Certification Task Force. The Board shall ensure its distribution to all applicants and Certified Interior Designers. The Board, at its discretion, may amend the Code of Ethics and Conduct, and the Administrative Rules and Regulations, as it deems necessary by vote of two-thirds (2/3) of the Directors.

(e) Establish a procedure for conducting hearings and appeals with regard to complaints from the public. A forum shall be devised for hearing from both sides in a dispute. This shall be in a written submission form so the Board can make a determination. If the Board determines it cannot make a decision based upon the written submission, the Board may elect to conduct a public hearing. The Board is concerned with violations of the Code of Ethics and Administrative Rules and Regulations only. Any other disputes between a member of the public and a Certified Interior Designer must be resolved through other avenues. The Board's power to discipline a Certified Interior Designer found guilty of violating the Code of Ethics and Administrative Rules and conduct shall be limited to denial of any application for re-certification or suspension of such member's certification for a period of time as determined by the Board.

(f) Establish internal operating rules through By-laws and resolutions.

(g) Establish policies, goals, objectives, priorities, timetables, procedures and position statements in furtherance of the law and the profession.

(h) Authorize material transactions, investments, acquisitions, expenditures, etc.

(i) Select and hire an Executive Director, direct, and monitor their performance, and remove him/her, if necessary. The Executive Director shall exercise the powers and perform the duties delegated by the Board and vested in him/her by the Corporation's Administrative Rules and Regulations adopted by the Board.

(j) Establish, maintain, and periodically review personnel policies. The Board shall, together with the Executive Director, prepare a written personnel policy and procedure manual.

(k) Monitor corporate finances (both income and expenditures) through financial reports prepared by an independent accounting expert. The Board shall hire an independent CPA auditor, separate from Corporation's accountant, to conduct an annual audit of the finances and to prepare an executive management report relating to the operation of the Corporation.

(l) Establish and approve annual operating budgets based upon projected income and expenditures prior to the end of each fiscal year.

(m) Monitor and evaluate implementation of all Board policies and decisions.

(n) Monitor and set all fees with regard to the application and certification process. Fees shall be set in accordance with guidelines established by the State of California.

(o) Maintain the official roster of all Certified Interior Designers in the State of California.

(p) Adopt a common seal and protect the same from misuse, misrepresentation and copyright infringement.

(q) Promote certification as a standard for interior designers in the State of California to other professionals and the general public and through public forums, education, print or other advertising media.

(r) Take all corporate action as required and in compliance with Corporation's articles of incorporation and bylaws.

(s) File all annual tax returns and required reports in a timely manner.

(t) Take all corporate action in a manner consistent with requirements for federal and state taxexempt status.

(u) Keep a complete record of all minutes and acts of the Corporation and to supervise all of the Corporation's agents and employees and to see that their duties are properly performed.

(v) Take any and all other lawful action that is in the best interests, and in furtherance of the goals and objectives, of the Corporation.

<u>Section 5.02</u>. A majority of the Directors where a quorum is present must approve any contract or transaction to which the Corporation is a party and in which one or more of its Directors has a material financial interest, except as special approval is provided for in the Corporations Code.

#### **ARTICLE VI - OFFICERS**

#### Officers and Duties

<u>Section 6.01</u>. The Officers of the Corporation are the Chairperson of the Board, the Vice-Chair, the Secretary, and the Treasurer. Officers shall serve for one (1) year terms at the pleasure of the Board, with such appointments automatically renewed unless otherwise removed by the Board.

Section 6.02. The Chairperson of the Board (for purposes of these By-laws and the Corporation's affairs, the person in this position shall be referred to as either the "Chairperson of the Board;" provided, however, only one person shall be the Chairperson of the Board) is the chief executive officer and general manager of the Corporation. All references in California law or otherwise to the term "president" shall mean the Chairperson of the Board as applied to the Corporation. The Chairperson of the Board shall, subject to the control of the Board, have general supervision, direction and control of the business and affairs of the Corporation and of its officers, employees, and agents, including the right to employ, discharge and prescribe the duties and compensation of all officers, employees, and agents of the Corporation, except where such matters are prescribed in these By-laws or by the Board. The President/Chairperson of the Board shall preside at all meetings of the Board and meetings of the members, if any. The President/Chairperson of the Board is authorized to sign all contracts, notes, conveyances and other papers, documents, and instruments in writing in the name of the corporation.

Section 6.03. The Vice-Chair shall perform under the direction of the Chairperson of the Board, duties, and responsibilities in the management of the Corporation or in one or more particular areas of its management. In the event of the disability of the Chairperson of the Board, the duties of the Chairperson of the Board shall be exercised by the Vice-Chair.

Section 6.04. The Secretary shall keep or cause to be kept the minute book of the Corporation. The Secretary shall sign in the name of the Corporation, either alone or with one (1) or more other officers, all documents authorized or required to be signed by the Secretary. If the Corporation has a corporate seal, the Secretary shall keep the seal and shall affix the seal to any documents as appropriate or desired. The Board may by resolution authorize one (1) or more assistant secretaries to perform, under the direction of the Secretary, some or all the duties of the Secretary.

<u>Section 6.05</u>. The Treasurer is the chief financial officer of the Corporation, and where appropriate, may be designated by the alternate title "chief financial officer." The Treasurer is responsible for the receipt, maintenance, and disbursement of all funds of the Corporation and for the safekeeping of all securities of the Corporation. The Treasurer shall keep or cause to be kept books and records of account and records of all properties of the Corporation. The Treasurer shall prepare or cause to be prepared annually, or more often if so, directed by the Board or President, financial statements of the Corporation. The Board may by resolution authorize one (1) or more assistant treasurers to perform, under the direction of the Treasurer, some or all the duties of the Treasurer.

#### Appointment or Removal of Officers

Section 6.06. The Officers of the Corporation shall be appointed by the Board of the Corporation.

Section 6.07. Any Officer may be removed from office at any time by the Board, with or without cause or prior notice.

Section 6.08. When authorized by the Board, any appointed Executive Officer may be appointed for a specific term under a contract of employment. Notwithstanding that such Executive Officer is appointed for a specified term or under a contract of employment, any such Executive Officer may be removed from office at any time pursuant to these By-laws and shall have no claim against the Corporation on account of such removal other than for such monetary compensation as the Executive Officer may be entitled to under the terms of the contract of employment.

#### Resignation of Officers

<u>Section 6.09</u>. Any Executive Officer may resign at any time upon written notice to the Corporation without prejudice to the rights, if any, of the Corporation under any contract to which the Executive Officer is a party. Such resignation is effective upon receipt of the written notice by the Corporation unless the notice prescribes a later effective date or unless the notice prescribes a condition to the effectiveness of the resignation.

#### Execution of Instruments

<u>Section 6.10</u>. Any and all instruments executed in the name of the Corporation, including, but not limited to, contracts, agreements, purchase orders, notes, deeds, deeds of trust, mortgages, leases, security agreements, checks and drafts issued, endorsements of checks and drafts received, certificates, applications, and reports shall be executed by any one or more Officers, employees or agents of the Corporation as authorized from time to time by the Board. Such authorization may be general or confined to specific instances.

(a) The respective offices and duties thereof as established and defined in this Article VI and by resolution of the Board include, except as otherwise provided, the authority to execute instruments in the name of the Corporation when the execution of the instrument is incident to carrying out the duties of the office.

#### Advisory Consultants

Section 6.11. The Board may have legislative, legal, financial advisory and other consultants and staff available to it to provide consultation and other advice. The Board shall further select and hire an

Executive Vice President and other necessary staff to assist the Corporation in the day-to-day management of the affairs and activities of the Corporation. The Executive Vice President may, at their discretion, hire further staff to assist him/her in carrying out the Executive Vice President's duties and responsibilities.

#### **ARTICLE VII - COMMITTEES**

<u>Section 7.01</u>. Committees of the Corporation are of two (2) kinds, those with legal authority to act for the Corporation and advisory committees.

Section 7.02. The Board may, by resolution adopted by a majority of the authorized number of Directors then in office, designate one (1) or more committees with legal authority to act for the Corporation to the extent specified in the resolution creating such committee, each such committee consisting of two (2) or more Directors, to serve at the pleasure of the Board. The Board may designate one (1) or more Directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the Directors then in office. The procedures of these committees shall be the same as relating to the rules and conduct of the meetings of the Board. Any such committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except with respect to:

(a) The filling of vacancies on the Board or on any committee.

(b) The fixing of compensation of the Directors for serving on the Board or on any committee.

(c) The amendment or repeal of these By-laws or the adoption of new bylaws.

(d) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.

(e) The appointment of other committees of the Board.

(f) The approval of any self-dealing transaction not permitted by Section 5233 of the Corporations Code to be approved by a committee.

Section 7.03. Advisory committees may be appointed to consist of one or more Board members. Advisory committee membership may also consist of Directors only, both Directors and non-Directors, or non-Directors only, and also may include nonvoting members and alternate members. Advisory committees have no legal authority to act for the Corporation but shall report their findings and recommendations to the Board.

<u>Section 7.04</u>. The Board may establish a Nominating Committee, which shall consist of three (3) Directors. The first Chair of the Nominating Committee shall be as determined by resolution of the Board. The Chair shall serve a one (1) year term as Chair of the Nominating Committee. Thereafter, the prior Chairman of the Corporation's Board shall serve as the Chair of the Nominating Committee for one (1) year terms. In the event the prior Chairman of the Corporation's Board is unable or unwilling to serve as Chair of the Nominating Committee, then in that event the Board shall determine the Chair of the Nominating Committee. The other two (2) Directors on the Nominating Committee shall be selected by the Corporation's Board, with at least one (1) Director on the Nominating Committee being a Public Director. All Directors serving on the Nominating Committee shall serve one (1) year terms, and the Directors shall appoint new Directors to the Nominating Committee from such terms expire, or as such positions on the Nominating Committee otherwise become vacant.

#### **ARTICLE VIII - AMENDMENTS TO ORGANIZATIONAL DOCUMENTS**

#### Amendment of Articles by the Directors

Section 8.01. Any amendment to the Articles of Incorporation may be amended by a two-thirds

(2/3) vote of the full Board at any such meeting called for the purpose of approving or rejecting such amendment, in addition to any other purpose such meeting was called. Any proposed amendment to the Articles of Incorporation shall comply with the other terms and conditions set forth in these By-laws and applicable law.

#### **ARTICLE IX - AMENDMENTS TO THE BY-LAWS**

#### Amendment of By-laws by Directors

Section 9.01. Subject to paragraph (a) of these By-laws, these By-laws may be amended, or new By-laws adopted at any regular or special meeting of the Board of Directors when called for the specific purpose by a majority vote of the members of the Board of Directors. In the event of such a meeting called for that specific purpose, the written consent of two-thirds (2/3) of the full Board of the Board of Directors shall be effective to repeal and/or amend any By-law and to adopt any additional By-laws.

(a) An amendment or repeal of these By-laws approved by the Board of Directors shall require the approval of the Directors when such amendment or repeal involves:

(1) An amendment to these By-laws specifying or changing a fixed number of Directors, or changing from a fixed to a variable number or Directors or vice versa;

(2) An addition or amendment of a By-law that requires approval of the Directors be unanimous or by a greater proportion than that already required by law or these By-laws;

(3) An amendment to these By-laws increasing the length of the Directors' terms;

(4) An addition or amendment of a provision that provides for the selection of Directors other than as provided in these By-laws;

(5) An addition or amendment of a By-law when such addition or amendment of a By-law relates to the Board's authority to fill vacancies created by the removal of Directors;

(6) An addition or amendment of a By-law changing the number necessary for a quorum at Directors' meetings, creating or changing proxy rights, or changing or repealing cumulative voting rights;

(7) An addition or amendment of a By-law that would terminate all Director membership on the Board; or

(8) An addition or amendment of a provision that requires the approval of the Directors consistent with the California Corporations Code.

#### **ARTICLE X - CORPORATE RECORDS AND REPORTS**

#### Record Keeping

<u>Section 10.01</u>. The Corporation shall keep adequate and correct records of accounts and minutes of the proceedings of meetings of its Certificate Holders, Board of Directors, and committees of the Board of Directors. The Corporation shall also keep a record of its Certificate Holders giving their names and addresses. The minutes shall be kept in written form. Other books and records shall be kept in either written form or in any other form capable of being converted into written form.

#### Annual Report

Section 10.02. The Board shall make available to the Board of Directors an annual report within a reasonable time after the Corporation files its annual federal income tax return for a given fiscal year. Reports shall contain all the information required by Section 6321(A) of the Corporations Code, any other federal or state reporting requirements, and shall be accompanied by any report thereon of independent accountants. If there is no such report from independent accountants, a certificate of an authorized officer of the Corporation stating that such statements were prepared without audit from the books and records of

the Corporation will be prepared. The annual report shall also be made reasonably available to all Certificate Holders in a manner determined by the Directors or as may be required by applicable law.

#### Annual Statement of Certain Transactions

<u>Section 10.03</u>. The Corporation shall make available annually to its Directors, a statement of any transaction or indemnification described in Section 6322(D) and (E) of the Corporations Code if such transaction or indemnification took place. Such annual statements shall be affixed to and sent with the annual report described in these By-laws.

#### Indemnification

<u>Section 10.04</u>. The Corporation may indemnify a Director, Officer, agent, or employee under relevant provisions of the Corporations Code, or pursuant to any contract entered into with any employee who is not an Officer of Director. Expenses incurred in defending any proceeding may be advanced by the Corporation as authorized in the Corporations Code prior to the final disposition of such proceeding upon receipt of any undertaking by or on behalf of the Director, Officer, agent, or employee to repay such amount unless it shall be determined ultimately that the Director, Officer, agent or employee is entitled to be indemnified.

Section 10.05. The Corporation may purchase and maintain insurance on behalf of any Director, Officer, agent, or employee of the corporation against any liability asserted against or incurred by the Director, Officer, agent, or employee in such capacity or arising out of the Director's, Officer's, agent's, or employee's status as such, whether or not the Corporation would have the power to indemnify the Director, Officer, agent or employee against such liability under the provisions of Section 7237 of the Corporations Code.

#### **ARTICLE XI - MISCELLANEOUS**

#### Construction of These By-laws

<u>Section 11.01</u>. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these By-laws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, and the plural includes the singular.

#### Incorporation of Administrative Rules and Regulations and Code of Ethics and Conduct

<u>Section 11.02</u>. The Administrative Rules and Regulations and Code of Ethics and Conduct, as may be amended from time to time by the Board, are incorporated into these By-laws by this reference.

#### Severability

Section 11.03. It is intended that each paragraph, Section, and Article of these By-laws be viewed as separate and divisible, and in the event that any portion of these By-laws are held to be invalid or contradict relevant provisions of the Corporations Code or other applicable law, such invalid portion shall be severed to the minimum amount necessary to make such provisions valid or consistent with applicable law. It is further intended that the remaining portions of these By-laws continue to be in full force and effect.