



Strengthening San Diego, one company at a time

CRT – QUALIFICATION FOR MEMBERSHIP

The Candidate for CRT membership must have the following qualifications and be willing to undertake the following responsibilities:

Qualifications:

- Currently serves or has served within the recent past (two years) on the Board of Directors (two year minimum term of office) of a corporation which meets the profile described below ("Qualified Corporation"); and
- Currently serves or has served within the recent past (two years) as Chief Executive Officer of a Qualified Corporation and serves on the Board of Directors of both corporation of which he or she is CEO and serves as a director of one or more Qualified Corporations; and
- Has served a cumulative total of five (5) years on Boards of Directors which meet the standards of a Qualified Corporation; and
- Has distinguished himself or herself both in career and community service activities, and
Has established an outstanding reputation for integrity; and
- Has demonstrated expertise in matters of corporate governance; and
- Has consented to accept the responsibilities of membership in CRT.
- (Note: The CRT Board of Directors has the authority to consider "Unique and extensive operating experience" in place of some Board experience as determined in the best interest of CRT.)

A Qualified Corporation is one in which:

- Ownership includes unrelated third party investors, e.g., not owned solely by family, relatives, and management (and not majority owned by management); and
- Corporation of which he or she is a director and officer has demonstrated success; and
- Corporation of which he or she has achieved a size appropriate to its industry segment as measured by revenues and/or employees and/or capital employed; provided, however, that the threshold of each will be \$10M revenues, 25+ employees, and at least \$2M in invested capital or debt financing.

Responsibilities of a Member:

- Attend 60% of all member meetings each year commencing with the date membership commences; and
- Undertake at least two mentoring assignments with a client company each membership year or as otherwise required to meet the needs of CRT's client obligations.
- Members not able or willing to participate as detailed above are subject to removal from Membership

Removal from Membership-Attendance/failure to mentor

- In the event a member does not meet the criteria of a Member (as defined above) he/she shall, by majority vote of the Board of Directors, become a Former Member.
- When removed from the listing as a Member, the Former Member shall no longer be notified of any meetings or events of CRT and his/her name shall be placed into Former Member status.
- A Former Member may attend the monthly CRT meetings but will not be invited or admitted to special events/functions unless specifically invited by a Member.

Return to Membership-Attendance/failure to mentor

- A Former Member may return to Membership by applying to the Board of Directors for reinstatement and receive majority approval. As a condition of returning to Membership the member must agree to the guidelines for attendance at meetings and mentoring.

Removal from Membership-Violation of the Membership Agreement

- In the event a member violates the basic principles set down in the Membership Agreement he/she shall, by majority vote of the Board of Directors, be permanently removed from Membership and have no rights or privileges granted to Members in good standing.

Return to Membership-Violation of the Membership Agreement

- A member removed from Membership for violation of the Membership Agreement may apply for reinstatement through the Board of Directors. Only unanimous agreement, by the Board of Directors, shall allow a Member, who was removed from Membership for violating the Membership Agreement to be reinstated as a Member in good standing