

BYLAWS  
OF  
SWARM DEVELOPMENT GROUP, INC.  
A New Mexico Not For Profit Corporation

Revised: 2 November 2006

ARTICLE 1

NAME AND LOCATION OF CORPORATE OFFICE

- 1.1 Name. The name of this corporation is Swarm Development Group, Inc. (the “Corporation”).
- 1.2 Office. The principal office of the Corporation in the State of New Mexico shall be located at Santa Fe, New Mexico. The Corporation may have such other offices within the State of New Mexico as the business of the corporation may require from time to time.
- 1.3 Other Offices. The Corporation may have other offices at such place or places, within or outside of the State of New Mexico, as the Board of Directors may determine from time to time or the affairs of the Corporation may require or make desirable.

ARTICLE 2

PURPOSES AND GOVERNING INSTRUMENTS

- 2.1 Non-Profit Corporation. The Swarm Development Group, Inc. shall be organized and operated as a non-profit corporation under the provisions on the New Mexico Non-profit Corporation Code, Section 53-8-25.1, NMSA 1978 (1995 Cum. Supp.).
- 2.2 Charitable, Educational and Scientific Purposes. The Corporation is a voluntary association of individuals, the purpose of which, as set forth in the Articles of Incorporation, are exclusively charitable, educational and scientific within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The Corporation was created to provide Swarm Simulation System software as free software to the public at large, to develop and maintain Swarm software as a tool for doing research in many scientific fields, and to train and educate the users of the Swarm Simulation System.
- 2.3 Governing Instruments. The Corporation shall be governed by its Articles of Incorporation and these Bylaws.

## ARTICLE 3

### MEMBERSHIP

- 3.1 Membership. Membership in the Corporation is open to those individuals and companies who are willing to abide by these Bylaws and the policies and procedures of the Corporation as set forth in its manuals, and who support the goals and objectives of the Corporation.
- 3.2 Classes. The Board of Directors shall establish classes of membership and their privileges. Classes of membership and their privileges may be changed from time to time.
- 3.3. Broad Powers. The Board of Directors shall have the power in its sole discretion to create and maintain a Policies and Procedures Manual and such other manuals as the Board of Directors deems necessary or desirable, to provide members with additional information with respect to their membership in the Corporation.
- 3.4 Responsibilities of Members. It is the responsibility of each member of the Corporation to be familiar with and abide by these Bylaws and the manuals of the Corporation, including without limitation, the Policies and Procedures Manual.
- 3.5 Expulsion, Suspension or Termination of Membership. Members of the Corporation may be expelled or suspended, and their membership terminated, by a vote of a majority of the Board of Directors. Each member must be given at least fifteen (15) days, or such other greater or less period of time required under New Mexico law, prior written notice setting forth the reasons for the expulsion, suspension or termination. The Corporation shall provide an opportunity for the member to present arguments opposing such expulsion, suspension or termination, orally or in writing, at least five (5) days, or such other greater or less period of time required under New Mexico law, before the effective date of said expulsion, suspension or termination, to the person or persons authorized to decide whether the proposed expulsion, suspension or termination should take place. The Board of Directors may expel or suspend any member for any reason if it determines, within its sole discretion, that such expulsion or suspension would be in the best interest of the Corporation, including without limitation, for any member's violation of these Bylaws or any manual of the Corporation. All expulsions, suspensions and terminations shall be final without any right of appeal. Any membership dues paid by an expelled member will not be refunded by the Corporation. Notwithstanding the foregoing, if the New Mexico Corporation Code, Section 53-8-25.1, NMSA 1978 (1995 Cum. Supp.), shall be amended to provide notice required under this Section 3.7 to be given by a means other than in writing, notice given by such other means shall be deemed to meet the requirements of this Section 3.7.

ARTICLE 4

(DELETED)

ARTICLE 5

DIRECTORS

- 5.1 Authority and Responsibility of the Board of Directors. The supreme authority of the Corporation and the government and management of the affairs of the Corporation shall be vested in the Board of Directors, and all the powers, duties and functions of the Corporation conferred by the Articles of Incorporation, these Bylaws, or state statutes shall be exercised, performed and controlled by the Board of Directors.

The Board of Directors shall have supervision, control and direction of the management, affairs and property of the Corporation; shall determine its policies or changes therein; and shall actively prosecute its purposes and objectives and supervise the disbursement of its funds. The Board of Directors may adopt such rules and regulations for the conduct of its business and the powers granted, delegate certain of its authority and responsibility to an executive committee. Under no circumstances shall any actions be taken which are inconsistent with the Articles of Incorporation or these Bylaws.

The Board of Directors shall not permit any part of the net earnings or capital of the Corporation to inure to the benefit of any member, director, officer, or other private person or individual.

The Board of Directors may, from time to time, appoint, as advisors, persons whose advice, assistance and support may be deemed helpful in determining policies and formulating programs for carrying out the purposes and functions of the Corporation.

The Board of Directors is authorized to employ such person or persons, attorneys, trustees, agents and assistants, as in its judgment are necessary or desirable for the administration and management of the Corporation, and to pay reasonable compensation for the services performed and expenses incurred by any such person or persons.

The Board of Directors shall have full power and authority to review and approve in advance both short-term and long-term budgets, capital and operating income and expenditures of the Corporation and to exercise such other supervision and control over the affairs and property of the Corporation as the Board of Directors may deem necessary or desirable to ensure that the educational and scientific purposes and functions of the Corporation are carried out.

- 5.2 Number and Term of Office. The number of directors of the Corporation shall not be less than three (3) and not more than fifteen (15). The number of directors may increase or decrease from time to time by amendment to these Bylaws, but no decrease shall have

the effect of shortening the term of any incumbent director, and there shall always be at least three (3) directors. Each director elected, appointed or designated shall hold office until his or her successor shall be elected, appointed or designated and shall qualify.

- 5.3 Election of Directors. Directors shall be elected by the full Board of Directors at the Board's annual meeting. Directors need not be residents of the State of New Mexico. Each term shall be two (2) years and directors can be elected for five (5) consecutive two-year terms and then must go off the board for at least one year.
- 5.4 Removal. Any director may be removed, either for or without cause, by the vote of two-thirds of the full Board of Directors. Failure to attend seventy-five percent (75%) of the meetings of the Board of Directors held in any full fiscal year of the Corporation shall operate as a tender of resignation, and such Director may be removed from the Board of Directors by vote of a majority of the remaining members of the Board of Directors at the first meeting of the Board during the next succeeding fiscal year.
- 5.5 Vacancies. The directors may fill the place of any director which may become vacant prior to the expiration of the director's term, such appointment to continue until the expiration of the term of the director whose place has become vacant, or fill any directorship created by reason of an increase in the number of directors, such appointment to continue for a term of office until the next election of directors. All vacancies may be filled by a vote of the majority of the remaining Board of Directors.
- 5.6 Compensation. No director of the Corporation shall receive any salary or compensation for serving as director unless authorized by a vote of two-thirds of the full Board of Directors, or by a vote of all the disinterested directors. Nothing contained herein shall be construed to prevent any director from serving the Corporation in any other capacity and receiving reasonable compensation for services rendered in the furtherance of the purposes and functions of the Corporation.
- 5.7 Resignation. Any director may resign from office at any time. Such resignation shall be made in writing and shall be effective immediately, without acceptance.
- 5.8 Committees. The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an executive committee and one or more other committees each of which, to the extent provided in the resolution, shall have and may exercise all the authority of the Board of Directors, but no such committee shall have the authority of the Board of Directors in reference to amending the Articles of Incorporation, adopting a plan of merger or consolidation, authorizing the sale, lease, exchange or other disposition of all or substantially all of the property and assets of its business, authorizing the voluntary dissolution of the Corporation or a revocation thereof, or amending the Bylaws of the Corporation. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

## ARTICLE 6

### MEETINGS OF THE BOARD OF DIRECTORS

- 6.1 Place of Meeting. Meetings of the Board of Directors may be held via electronic means, or at any place within or outside of the State of New Mexico as set forth in the notice thereof, or in the event of a meeting held pursuant to waiver of notice, as may be set forth in the waiver.
- 6.2 Annual and Regular Meetings. The annual meeting of the Board of Directors for the purpose of electing or appointing officers and for the transaction of any other business which may come before the meeting, shall be held each year (in month to be determined) at a place the Board determines and in a fashion (including via electronic means) as the Board of Directors shall determine. The Board of Directors may also provide by resolution the time and place for the holding of additional regular meetings without other notice than such resolution.
- 6.3 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President at any time. The President must upon written request of any two (2) directors, call a special meeting to be held not more than ten (10) days after the receipt of such request. The President may fix a place for holding any special meeting of the Board of Directors.
- 6.4 Notice. Notice of any special meeting shall be given at least five (5) days prior thereto. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except when a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors, need be specified in the notice or waiver of notice of such a meeting.
- 6.5 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business at any regular or special meeting. A quorum, once attained at a meeting, shall be deemed to continue until adjournment, notwithstanding a voluntary withdrawal of enough directors to leave less than a quorum. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If less than a majority of the directors are present at any meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.
- 6.6 Manifestation of Dissent. A director who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting, or unless he/she shall file his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by electronic, certified or registered mail to the secretary of the Corporation

immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

- 6.7 Action in Lieu of Meeting. Any action to be taken at a meeting of the directors, or any action that may be taken at a meeting of the directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a majority of the full Board of Directors, and any further requirements of law pertaining to such consents have been complied with.
- 6.8. Electronic, Telephone and Similar Meetings. The directors may participate in and hold a meeting via electronic means, including without limitation, video conferencing, electronic mail and Internet relay chat or similar communication mediums, by means of which all persons participating in the meeting can hear, interact or communicate with each other. Participation in such meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

## ARTICLE 7

### OFFICERS

- 7.1 Officers and Qualifications. The officers of this Corporation shall consist of a President/Executive Director, one or more Vice Presidents, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors at the time and in the manner prescribed by these Bylaws. Other officers and assistant officers and agents deemed necessary, may be elected or appointed by the Board of Directors or chosen in the manner prescribed by these Bylaws. Any two or more offices may be held by the same person, except the offices of President/Executive Director and Secretary. All officers and agents of the Corporation, as between themselves and the Corporation, shall have the authority and perform the duties in the management of the Corporation as provided in these Bylaws, or as determined by the resolution of the Board of Directors not inconsistent with these Bylaws.
- 7.2 Election and Term. All officers of the Corporation shall be elected annually by the Board of Directors at its annual meeting. If the election of officers is not held at such meeting, such election shall be held as soon thereafter as may be convenient. Each officer shall hold office until his successor has been duly elected and qualified, or until removed as hereinafter provided.
- 7.3 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term. Vacancies may be filled, or new offices created and filled, at any meeting of the Board of Directors.

7.4 Removal. Any officer or agent may be removed from office prior to the expiration of the term to which he/she was elected by the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contractual rights, if any, of the person removed. Election or appointment of an officer or agent shall not of itself create contractual rights.

7.5 Duties of Officers. The duties and powers of the officers of the Corporation shall be as follows, and as shall hereafter be set by resolution of the Board of Directors:

7.5.1 President/Executive Director

7.5.1.1 The President/Executive Director shall be present at each annual meeting of the Board of Directors of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. The President/Executive Director shall preside at all meetings of the directors as its chairperson unless a separate chairperson of the Board of Directors is elected, in which case the President/Executive Director shall preside only in the absence of the chairperson of the Board of Directors.

7.5.1.2 The President/Executive Director shall present at each annual meeting of directors a report of the condition of the business of the Corporation.

7.5.1.3 The President/Executive Director shall cause to be called regular meetings of the Board of Directors in accordance with the requirements of New Mexico law and these Bylaws.

7.5.1.4 The President/Executive Director shall appoint, discharge and fix the compensation of all employees and agents of the Corporation other than the duly elected officers, subject to the approval of the Board of Directors.

7.5.1.5 The President/Executive Director shall sign and execute all contracts in the name of the Corporation, all deeds, mortgages, bonds, contracts, notes, drafts, or other orders for the payment of money, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution of such shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise signed or executed.

7.5.1.6 The President/Executive Director shall cause all books, reports, statements and certificates to be properly kept and filed as required by law.

7.5.1.7 The President/Executive Director shall enforce these Bylaws and perform all the duties of his/her office, including such duties as may be prescribed by the Board of Directors from time to time, and he/she shall see to it that all orders and resolutions of the Board of Directors are implemented.

7.5.2 Vice President. In the absence of the President/Executive Director, or in the event of his/her inability or refusal to act, the Vice President shall perform the duties of the President/Executive Director, and when so acting, shall have all the powers and be subject to all the responsibilities of the office of President/Executive Director and shall perform such duties and functions as the Board of Directors may prescribe.

7.5.3 Secretary

7.5.3.1 The Secretary shall keep the minutes of the Board of Directors in the appropriate books.

7.5.3.2 The Secretary shall attend to the giving of notice of special meetings of the Board of Directors and of all the meetings of the members of the Corporation.

7.5.3.3 The Secretary shall be the custodian of the records and seal of the Corporation, if one is adopted, and shall affix such seal to corporate papers when required.

7.5.3.4 At the request of the person entitled to an inspection, the Secretary shall prepare and make available a current list of officers and directors of the Corporation and their mailing addresses.

7.5.3.5 The Secretary shall attest the execution of instruments on behalf of the Corporation by a proper officer thereof.

7.5.3.6 The Secretary shall supervise all correspondence and present to the Board of Directors at its meeting all official communications received by the Corporation.

7.5.3.7 The Secretary shall in general perform all duties of the office of Secretary and such other duties as from time to time may be assigned to him/her by the President/Executive Director or by the Board of Directors.

7.5.4 Treasurer.

7.5.4.1 The Treasurer shall have the care and custody of and be responsible for all of the funds of the Corporation, and shall deposit such funds in the name of the Corporation in such banks, trust companies or other depositories as shall be designated by the Board of Directors.

7.5.4.2 Subject to banking resolutions adopted by the Board of Directors, and except as otherwise expressly delegated by the Board of Directors to some other officer or agent of the Corporation, the Treasurer shall make, sign, and endorse in the name of the Corporation all checks, drafts, notes, and other orders for the payment of money and pay out and dispose of such under the direction of the President/Executive Director or the Board of Directors.

- 7.5.4.3 The Treasurer shall keep at the principal office of the Corporation accurate books of account of all its business and transactions and shall at all reasonable hours exhibit books and accounts to any director upon application at the office of the Corporation during business hours.
- 7.5.4.4 The Treasurer shall render a report of the condition of the finances of the Corporation at each regular meeting of the Board of Directors and at such other times as shall be required of him/her.
- 7.5.4.5 If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the Corporation in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in his possession or under his control belonging to the Corporation.
- 7.5.4.6 The Treasurer shall further perform all duties of the office of the Treasurer of the Corporation.
- 7.5.5 Other Officers. Other officers shall perform such duties and have such powers as may be assigned to them by the Board of Directors.
- 7.6 Vacancies. All vacancies in any office shall be filled promptly by the Board of Directors, either at a regular meeting, or a meeting specially called for that purpose.

## ARTICLE 8

### CONTRACTS, LOANS, CHECKS AND DEPOSITS

- 8.1 Contracts. The Board of Directors may authorize any officer or officers, or any agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.
- 8.2 Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.
- 8.3 Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, or such agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

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

## ARTICLE 9

### SEAL

The Board of Directors may adopt a seal for the Corporation in such form as it deems proper, but the Corporation shall not be required to have a seal.

## ARTICLE 10

### FISCAL YEAR

The Corporation shall have a fiscal year which shall be determined by the Board of Directors during the first twelve (12) months of operation of the Corporation. Such fiscal year shall end on the last day of any calendar month, and shall begin in the first day of the succeeding calendar month.

## ARTICLE 11

### WAIVER OF NOTICE

Whenever, under the provision of these Bylaws or of any statute, any director is entitled to notice of any regular or special meeting or of any action to be taken by the Corporation, such meeting may be held or such action may be taken without the giving of such notice, provided every director entitled to such notice in writing waives the requirements of the Bylaws in respect thereto.

## ARTICLE 12

### GENDER

Words herein shall be construed in the masculine, feminine, or neutral as the context and circumstances may require.

## ARTICLE 13

### INDEMNIFICATION

In accordance with the provisions of Section 53-8-26, NMSA 1978 (1995 Cum. Supp.), each officer and director of this Corporation shall be indemnified against reasonable expenses, costs, and attorney's fees actually and reasonably incurred by him/her in connection with the defense of any action, suit or proceeding, civil or criminal, in which he/she is made a party by reason of being or having been an officer or director. Such indemnification shall include amounts reasonably paid to satisfy a judgment or compromise or settle a claim. The officer or director shall not be indemnified if he/she shall be adjudged to be liable on the basis that he/she has breached or failed to perform the duties of his/her office and the breach or failure to perform constitutes willful misconduct or recklessness.

*(originally signed: Marcus A. Daniels)*  
Secretary

CERTIFICATE

We, the undersigned President and Secretary of Swarm Development Group, Inc., a corporation organized and existing under the nonprofit corporation laws of the State of New Mexico certify that the foregoing Bylaws were duly adopted by the corporation on (originally dated 9/7/99) and that they constitute the Bylaws of the Corporation, effective upon filing with the office of the New Mexico Public Regulation Commission.

Date: (originally dated 9/7/99)

(originally signed: Irene A. Lee)  
President

(originally signed: Marcus A. Daniels)  
Secretary