

**BYLAWS
OF**

SAN LUIS OBISPO COUNTY COMMUNITY FIRE SAFE COUNCIL, INC.

**ARTICLE 1
OFFICES**

Section 1.1 NAME

This corporation will be known as SAN LUIS OBISPO COUNTY COMMUNITY FIRE SAFE COUNCIL, INC. ("Corporation").

Section 1.2 PRINCIPAL OFFICE

The principal office of the Corporation will be located in San Luis Obispo County, California. The initial address of the principal office of the Corporation will be as follows:

San Luis Obispo County Community Fire Safe Council
635 North Santa Rosa Street
San Luis Obispo, CA 93405

Section 1.3 CHANGE OF ADDRESS

The county of the corporation's principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within San Luis Obispo County.

**ARTICLE 2
PURPOSE AND NONPROFIT STATUS**

Section 2.1 OBJECTIVES AND PURPOSE

The primary objective and purpose of this Corporation will be to provide education, exchange information and foster fire prevention and fire safety within the County of San Luis Obispo.

Section 2.2 NONPROFIT STATUS

This Corporation is organized and operated exclusively for charitable and educational purposes within the meaning of Section 501(c) (3) of the Internal Revenue Code or the corresponding provision of any future United States internal revenue law.

**ARTICLE 3
DIRECTORS**

Section 3.1 NUMBER

The corporation will not have fewer than seven (7) nor more than thirty (30) directors ("Directors") and collectively they will be known as the Board of Directors. The Directors shall consist of individuals who are stakeholders in the Fire Safe Community, emphasizing diversity of discipline. The following list is a suggested guide to the make-up of the Board of Directors, but may be altered by the Directors at their annual meetings. The minimum and maximum numbers specified in this section 3.1 may be changed by amendment of this Section. 3.1 (January 27, 2005)

Directorship Guidelines

American Red Cross
Air Pollution Control District
Bureau of Land Management

Cal Poly State University San Luis Obispo

Citizens at Large:

From Supervisorial District #1

From Supervisorial District #2

From Supervisorial District #3

From Supervisorial District #4

From Supervisorial District #5

County Board of Realtors

County Board of Supervisors

County Cattleman's Association

County Farm Bureau

County Planning

CDF/SLO County Fire

Environmental/Cambria Greenspace

Fire Chief's Association

Insurance Industries

Public Utilities/PG &E

Range Improvement Association

State Parks

U.C. Cooperative Extension

United States Forest Service

Focus Group Representatives

(January 27th, 2005)

Section 3.2 POWERS

Subject to the provisions of the California Nonprofit Public Benefit Corporation law and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the members, if any, of this corporation, the activities and affairs of this Corporation will be conducted and all corporate powers will be exercised by or under the direction of the Board of Directors. The individual Directors will act only as members of the Board of Directors, and the individual Directors will have no power as such.

Section 3.3 ELECTIONS, TERMS OF OFFICE

- a. Election. Except for the first Board of Directors, which will be elected by the incorporators, and except as provided in Section 3, Directors will be elected for a biannual period with half of the board members elected on odd years and the other half on even years. The elections will be held during the regular or special Board of Directors meetings held for that purpose.
- b. Term. Each Director will hold office for two (2) years except for the half of the original Directors will hold office for one (1) year in order to accommodate the odd even year elections. From then on all Directors will hold office for a two (2) years until annual meeting for election of the Board of Directors as specified in these Bylaws, and until his or her successor is elected and qualifies or the Board of Directors declares that a Director's position is vacant by reason of the death, resignation or removal of the Director.
- c. The Board of Directors will have at their will the ability to add ex officio members to the Board as non-voting "Associate Directors". (January 27th, 2005)

d. Any Director may have an "alternate director" to act in his or her place at any Directors meeting when the regular Director is unable to attend. Alternate Directors must be nominated by the regular Director at the annual or any subsequent meeting, and must receive a majority vote from the Directors in attendance. The Secretary shall keep a list of all current alternate Directors. However, alternate Directors must have been elected and listed by the Secretary at a Directors meeting held prior to the meeting at which the alternate Director can act. Notwithstanding the above, a nomination for an alternate Director from any one of the supervisorial appointed Citizen at Large Directors must first have at least the verbal approval of the County Supervisor who nominated the regular Director. Alternate Directors shall have the same powers as their regular Director when the regular Director is not present. (January 27th, 2005)

Alternate Directors cannot serve as an officer or be a member of the executive committee. (January 27th, 2005)

The term Director will imply Director and Alternate Director throughout the By-Laws unless stated otherwise. (January 27th, 2005)

Section 3.4 COMPENSATION

Directors will serve without compensation. However, they will be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 3 of this Article.

Section 3.5 RESTRICTION REGARDING INTERESTED DIRECTORS

Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons, for purposes of this Section.

"Interested persons" means either:

(a) Any person currently being compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full or part-time officer or other employee, independent contractor, or otherwise; or

(b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person specified in subsection (a) of this Section.

Section 3.6 VACANCIES

Vacancies on the Board of Directors will exist (1) on the death, resignation or removal of any Director, and (2) whenever the number of authorized Directors is increased.

The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

Directors may be removed without cause by a two thirds vote of a quorum of the Directors at any scheduled or special meeting. (March 24, 2005)

If a Director misses three (3) consecutive Board of Directors meetings, the Board of Directors must consider removal of the delinquent member at the following meeting.

Any Director may resign effectively upon giving written notice to the Chairperson of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the Attorney General.

Vacancies on the Board may be filled by approval of the Board or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice complying with this Article of these Bylaws, or (3) a sole remaining Director. (March 24, 2005)

A person elected to fill a vacancy as provided by this Section will hold office until the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

Section 3.7 NON-LIABILITY OF DIRECTORS

The Directors will not be personally liable for the debts, liabilities, or other obligations of the Corporation.

Section 3.8 INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

To the extent that a person who is, or was, a Director, officer, employee or other agent of this Corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the Corporation, or has been successful in defense of any claim, issue or matter, therein, such person will be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings will be provided by this Corporation but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law.

Section 3.9 INSURANCE FOR CORPORATE AGENTS

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Corporation (including a Director, officer, employee or other agent of the Corporation) against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

Section 3.10 PLACE OF MEETINGS

Meetings will be held at the principal office of the Corporation unless otherwise provided by the Board or at such place within or without the State of California which has been designated from time to time by resolution of the Board of Directors. In the absence of such designation, any meeting not held at the principal office of the Corporation will be valid only if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the Corporation or after all Board members have been given written notice of the meeting as hereinafter provided for special meetings of the Board. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so as long as all Directors participating in such meeting can hear one another.

Section 3.11 REGULAR AND ANNUAL MEETINGS

All regular and annual meetings are open to the General Public. Closed sessions may occur if a confidential matter, generally a personnel issue, needs to be discussed. (March 24, 2005)

Regular meetings of Directors will be held every other month on the fourth Thursday of the month, unless such day falls on a legal holiday, in which event the regular meeting will be held at the same hour and place on the following Thursday. (March 24, 2005)

Nominations for Directors will be made at the last regular meeting held prior to the annual meeting for those Directors positions whose terms will expire. Nominations can be made by Directors and the General Public who reside in the County of San Luis Obispo.

At the annual meeting of Directors held on the last Thursday of January, new Directors will be elected by the seated Board of Directors in accordance with this section. Cumulative voting by seated Directors for the election of Directors will not be permitted. Each Director will cast one vote per vacancy, with voting being by ballot or a show of hands.

Section 3.12 SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the Chairperson of the Board, the President, the First Vice-President, then Second Vice-President, the Secretary, or by any five (5) Directors, and such meetings will be held at the place, within San Luis Obispo County, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the Corporation.

Section 3.13 NOTICES OF MEETINGS

Regular meetings of the Board may be held without notice. Special meetings of the Board will be held no less than 24 hours after confirmed notification of the Board. (March 24, 2005)

Section 3.14 CONTENTS OF NOTICE

Notice of meetings not herein dispensed with will specify the place, day and hour of the meeting. The purpose of any Board meeting need not be specified in the notice.

Section 3.15 WAIVERS OF NOTICE AND CONSENT TO HOLDING MEETINGS

The transactions of any meeting of the Board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals will be filed with the corporate records or made a part of the minutes of the meeting.

Section 3.16 QUORUMS FOR MEETINGS

A quorum will consist of one third of the Directors. Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this Corporation, or by law, no business will be considered by the Board at any meeting at which a quorum is not present, and the only motion which the Chair will entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board. (March 24, 2005)

When a meeting is adjourned for lack of a quorum, it will not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting, other than by announcement at the meeting at which the adjournment is taken, except as provided in Section 10 of this Article.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this Corporation.

Notwithstanding any of the above, if a quorum is not present at a regular Directors meeting, then a quorum of the Executive Committee is empowered to act on behalf of the Directors for "all urgent matters", as hereafter defined. A quorum of the Executive Committee shall consist of a simple majority of the Executive Committee. "All urgent matters" shall be defined as the signing of letters, documents, contracts, and similar instruments, and the decision making for matters that would be detrimental if delayed to a subsequent Directors meeting, and which are considered usual and customary actions for the day-to-day operations of the FireSafe Council. Decisions of the Executive Committee may be made by electronic communication such as facsimile machine, email or telephone.

Any action so taken by the Executive Committee shall be then included in the agenda for discussion at the next Directors meeting, at which time the Directors as a whole will be made aware of the action taken by the Executive Committee. It shall require a two-thirds vote of the Board of Directors to overturn, where practicable, any action taken by the Executive Committee. (January 27, 2005)

Section 3.17 MAJORITY ACTION AS BOARD ACTION

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 Board of Directors, unless the Articles of Incorporation or Bylaws of this Corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 5212), approval of contracts or transactions in which a Director has a material financial interest (Section 5233) and indemnification of Directors (Section 5238e), require a greater percentage or different voting rules for approval of a matter by the Board.

Section 3.18 CONDUCT OF MEETINGS

Meetings of the Board of Directors will be presiding over by the Chairperson of the Board, or, if no such person has been so designated or, in his or her absence, the President of the corporation or, in his or her absence, by the First Vice-President, by the Second Vice-President of the corporation or, in the absence of each of these persons, by a Chairperson chosen by a majority of the Directors present at the meeting. The Secretary of the Corporation will act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer will appoint another person to act as Secretary of the Meeting.

Meetings will be governed by Robert's Rules of Order as such rules may be revised from time to time, insofar as such rules are consistent with or in conflict with these Bylaws, with the Articles of Incorporation of this corporation, or with provisions of law.

ARTICLE 4 OFFICERS

Section 4.1 NUMBER OF OFFICERS

The officers of the Corporation will be a President, a First Vice-President, a Second Vice-President, a Secretary / Treasurer. Any number of offices may be held by the same person except that the Secretary / Treasurer may not serve as the President or Chairperson of the Board.

Section 4.2 QUALIFICATIONS, ELECTION AND TERM OF OFFICE

Any person may serve as officer of this Corporation. Officers will be elected by the Board of Directors, at any time, and each officer will hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor will be elected and qualified, whichever occurs first.

Section 4.3 SUBORDINATE OFFICERS

The Board of Directors may appoint such other officers or agents as it may deem desirable and such officers will serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

Section 4.4 REMOVAL AND RESIGNATION

Any officer may be removed, either with or without cause, by the Board of Directors at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Corporation. Any such resignation will take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein. The acceptance of such resignation will not be necessary to make it effective. The above provisions of this Section will be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the Corporation.

Section 4.5 VACANCIES

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer will be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board will fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board will determine.

Section 4.6 DUTIES OF PRESIDENT

The President will be the Chief Executive Officer of the Corporation and will, subject to the control of the Board of Directors, supervise and control the affairs of the Corporation and the activities of the officers. He or she will perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this Corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairperson of the Board of Directors, he or she will preside at all meetings of the Board of Directors. If applicable, the President will preside at all meetings of the members, except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she will, in the name of the Corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

Section 4.7 DUTIES OF VICE-PRESIDENTS

In the absence of the President, or in the event of his or her inability or refusal to act, the First Vice-President, or in his or her absence the Second Vice-President, will perform all the duties of the President, and when so acting will have all the powers of, and be subject to all the restrictions on the President. The Vice-President will have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

Section 4.8 DUTIES OF SECRETARY

The Secretary will:

- a. Certify and keep at the principal office of the corporation the original or a copy of these Bylaws as amended or otherwise altered to date.
- b. Keep at the principal office of the Corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and, if applicable, meetings of committees of Directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- c. See that all notices are duly given in accordance with the provisions of these Bylaws, or as required by law.
- d. Be custodian of the records and of the seal of the Corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the Corporation under its seal is authorized by law or these Bylaws.
- e. Keep at the principal office of the Corporation a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she will record such fact in the membership book together with the date on which such membership ceased.

f. Exhibit at all reasonable times to any Director of the Corporation, or to his or her agent or attorney, on request therefor, the Bylaws, the membership book, and the minutes of the proceedings of the Directors of the corporation.

g. In general, performs all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this Corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

Section 4.9 DUTIES OF THE TREASURER

Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer will also:

a. Have charge and custody of, and be responsible for, all funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such banks. Trust companies or other depositories as will be selected by the Board of Directors.

b. Receive, and give receipt for, monies due and payable to the Corporation from any source whatsoever.

c. Disburse, or cause to be disbursed, the funds of the Corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.

d. Keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

e. Exhibit at all reasonable times the books of account and financial records, to any Director of the corporation, or to his or her agent or attorney, on request therefor.

f. Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the Corporation.

g. Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

h. In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the Corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

Section 4.10 COMPENSATION

The salaries of the officers, if any, will be determined from time to time by resolution of the Board of Directors, and no officer will be prevented from receiving such salary by reason of the fact that he or she is also a Director of the corporation, provided, however, that such compensation paid a Director for serving as an officer of this Corporation will only be allowed if permitted under the provisions of Article 3, Section 6 of these Bylaws. In all cases, any salaries received by officers of this Corporation will be reasonable and given in return for services actually rendered for the Corporation which relate to the performance of the charitable or public purposes of this Corporation.

ARTICLE 5 COMMITTEES

Section 5.1 EXECUTIVE COMMITTEE

The Executive Committee will consist of the President, Vice-President, Second Vice-President, Secretary/Treasurer, a director appointed by the Board and, if not already one of the above, the chairperson of the board. The Executive Committee or the Board of Directors is empowered to appoint representatives to vacancies on the Board of Directors to serve as interim members until the next general election. The Executive Committee is also empowered to act on behalf of the Board of Directors on certain matters as defined in Section 3.16 of these Bylaws. (January 27, 2005)

Section 5.2 OTHER COMMITTEES

The Corporation will have such other committees as may from time to time be designated by resolution of the Board of Directors. Such other committees may consist of persons who are not also members of the Board. These additional committees will act in an advisory capacity only to the Board and will be clearly titled as "advisory" committees.

Section 5.3 MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees will be governed and noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are consistent with the provisions of these Bylaws.

ARTICLE 6 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 6.1 EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Corporation 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. Unless so authorized, no officer, agent, or employee will have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable momentarily for any purpose or in any amount.

Section 6.2 CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation will be signed by those individuals designated by the Board of Directors. Two approved signatures are required on each check, draft, promissory note, orders for the payment of money, and other evidence of indebtedness.

Section 6.3 DEPOSITS

All funds of the Corporation will 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.

Section 6.4 GIFTS

The Board of Directors may accept on behalf of the Corporation any contribution, gifts, bequest, or devise for the charitable or public purposes of this Corporation.

ARTICLE 7 CORPORATE RECORDS, REPORTS AND SEAL

Section 7.1 MAINTENANCE OF CORPORATE RECORDS

The Corporation will keep the following at its principal office:

- a. Minutes of all meetings of Directors, committees of the Board and meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;

- b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- c. A record of its members, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- d. A copy of the Corporation's Articles of Incorporation and Bylaws as amended to date, which will be open to inspection by the members and directors of the Corporation at all reasonable times during office hours.

Section 7.2 CORPORATE SEAL

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal will be kept at the principal office of the Corporation. Failure to affix the seal to corporate instruments, however, will not affect the validity of any such instrument.

Section 7.3 DIRECTORS' INSPECTION RIGHTS

Every Director will have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

Section 7.4 RIGHTS OF THE GENERAL PUBLIC (March 24, 2005)

- a. The General Public is defined as those individuals who reside or own property in the County of San Luis Obispo. (March 24, 2005)
- b. The General Public is entitled to attend all meetings, special or regular. They must be provided 3 minutes each for comment at a designated time during each meeting after being recognized by the Chairperson. (March 24, 2005)
- c. The General Public is entitled to nominate Directors that will be recognized by the Board of Directors for a vote. (March 24, 2005)

Section 7.5 RIGHT TO COPY AND MAKE EXTRACTS

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

Section 7.6 ANNUAL REPORTS

At the annual meeting a report on the accomplishments of the Corporation will be given on the previous year.

The report will contain the following information in appropriate detail:

- a. The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.
- b. The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- c. The revenue or receipts of the Corporation both unrestricted and restricted to particular purposes, for the fiscal year.
- d. The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year.
- e. Any information required by Section 7 of this Article.

The annual report will be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without an audit from the books and records of the corporation. (March 24, 2005)

Section 7.7 ANNUAL STATEMENTS OF SPECIFIC TRANSACTIONS

This Corporation will make available to all Directors a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

a. Any transaction in which the Corporation, or its parent or its subsidiary, was a party, and in which either of the following had a direct or indirect material financial interest:

1. Any Director or officer of the Corporation, or its parent or subsidiary (a mere common Directorship will not be considered a material financial interest); or
2. Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent or its subsidiary.

The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than FIFTY THOUSAND DOLLARS (\$50,000) or which was one of a number of transactions with the same persons involving, in the aggregate, more than FIFTY THOUSAND DOLLARS (\$50,000).

Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than TEN THOUSAND DOLLARS (\$ 10,000) paid during the previous fiscal year to any Director or officer, except that no such statement need be made if such indemnification was approved by the members pursuant to Section S238 (e) (2) of the California Nonprofit Public Benefit Corporation Law.

Any statement required by this Section will briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the Corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest, provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

ARTICLE 8 FISCAL YEAR

Section 8.1 FISCAL YEAR OF THE CORPORATION

The fiscal year of the Corporation will begin on the first day of January and end on the last day of December in each year.

ARTICLE 9 AMENDMENT OF BYLAWS

Section 9.1 AMENDMENTS

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit Corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

A. By approval of the Board of Directors of this Corporation.

ARTICLE 10 AMENDMENT OF ARTICLES

Section 10.1 CERTAIN AMENDMENTS

This Corporation will not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation and of the names and addresses of the first Directors of this Corporation nor the name and address of its initial agent, except to correct an error in such statements or to delete either statement after the Corporation has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law. (March 24, 2005)

ARTICLE 11

PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

Section 11.1 PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

No member, Director, officer, employee or other person connected with this Corporation, or any private individual, will receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided, however, that this provision will not prevent payment to any such person or reasonable compensation for services performed for the Corporation in affecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; no such person or persons will be entitled to share in the distribution of, and will not receive, any of the corporate assets on a dissolution of the Corporation. All members, if any, of the corporation will be deemed to have expressly consented and agreed that on such dissolutions or winding up of the affairs of the Corporation, whether voluntarily or involuntarily, the assets of the Corporation, after all debts have been satisfied, will be distributed as required by the Articles of Incorporation of this Corporation and not otherwise.
