

**AMENDED AND RESTATED BYLAWS**  
**of**  
**LA JOLLA GOLDEN TRIANGLE ROTARY CLUB FOUNDATION**  
**a California Nonprofit Public Benefit Corporation**

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**AMENDED AND RESTATED BYLAWS**  
**of**  
**LA JOLLA GOLDEN TRIANGLE ROTARY CLUB FOUNDATION**  
**a California nonprofit public benefit corporation**

These Amended and Restated Bylaws of the La Jolla Golden Triangle Rotary Club Foundation, a California Public Benefit Corporation, supercede, amend and restate in their entirety the Bylaws of the La Jolla Golden Triangle Rotary Club Foundation dated September 27, 1989 ("Previous Bylaws"). Pursuant to Section 2 of Article IX of the Previous Bylaws, the Board of Directors of the La Jolla Golden Triangle Club Foundation has unanimously approved adoption of these Amended and Restated Bylaws of the La Jolla Golden Triangle Rotary Club Foundation.

**ARTICLE 1**  
**OFFICES**

**1.1 Principal Office.** The principal office of the La Jolla Golden Triangle Rotary Club Foundation (the "Corporation") shall be 14918 Rancho Nuevo, Del Mar, CA 92104-4244. The Board is granted full power and authority to change said principal office from one location to another.

**1.2 Other Offices.** Branch or subordinate offices may be established at any time by the Board at any place or places.

**ARTICLE 2**  
**MEMBERSHIP**

**2.1 Members.** The Corporation shall have one class of members. The qualification of Members and the terms of admission to membership in the Corporation are set forth in Section 2.2 of this ARTICLE 2. Each Member shall have the right to vote, as set forth in Section 3 of this ARTICLE 2.

**2.2 Qualification of Members.** Any person who is currently (1) a member in good standing of the La Jolla Golden Triangle Rotary Club; (2) has qualified as a Paul Harris Fellow as determined by the governing body of the La Jolla Golden Triangle Rotary Club and (3) contributes a minimum amount of Five Hundred Dollars (\$500.00) to the Corporation, shall qualify and be admitted as a Member of the Corporation. The minimum amount of the contribution for qualification as a Member may only be changed by amendment of these Bylaws. If at any time there are no remaining Members and if no persons are eligible and willing to be appointed as Members, the Corporation's Directors shall serve all roles and possess all powers of the Members of the Corporation under the Corporation's Articles of Incorporation, the Bylaws, and under the California Nonprofit Corporation Law (the "Law").

**2.3 Voting Rights of the Members.** In addition to the voting rights specified in Sections 3.9 and 6.5, each Member shall have the right to vote for the election of the Directors, on a disposition of substantially all of the assets of the Corporation, on a merger of the

Corporation, and on a dissolution of the Corporation. Additionally, the Members shall have all of the rights and powers afforded the Members under the Corporation's Articles of Incorporation (the "Articles"), these Bylaws, and the Law.

**2.4 Transfer of Membership.** No Member shall sell a membership or any right arising therefrom. All rights of membership cease upon a Member's death.

**2.5 Other "Members".** Nothing in this ARTICLE 2 shall be construed as limiting the right of the Corporation to refer to persons or entities associated with it as "members" even though such persons or entities are not Members as defined in Section 2.2 above, and no such reference shall constitute anyone a Member, within the meaning of Section 5056 of the Law or the foregoing provisions of this ARTICLE 2, unless such persons or entities shall have been approved for membership as set forth in Section 2.2 above.

**2.6 Resignation of a Member.** Any Member may resign at any time by giving written notice to the Chairman of the Board, the President, the Secretary, or the Board. Such resignation shall take effect at the date of the receipt of such notice or such later time as may be specified therein. Unless otherwise specified therein, acceptance of such resignation by the Corporation shall not be necessary to make it effective.

**2.7 Suspension or Expulsion of a Member.** Any Member may be suspended or expelled from membership for willful violations of the Corporation's written Code of Conduct, Bylaws, or for acts or conduct that the Board deems injurious or hostile to the interests, purposes or objectives of the Corporation, provided that in accordance with the applicable provisions of the Law, such Member is given fifteen (15) days' prior notice of the action and the reasons therefore and an opportunity to be heard not less than five (5) days prior to the effective date of suspension or expulsion.

**2.8 Membership Book.** The Officers of the Corporation shall maintain a current record containing the name and address of each Member of the Corporation. Termination of any membership shall be recorded in the book, together with the date on which the membership ceased. Said book shall be available for inspection only by the Officers and Directors of the Corporation and such other persons as the Board may from time to time authorize.

### **ARTICLE 3 MEETINGS OF MEMBERS**

**3.1 Place of Meetings.** Meetings of the Members shall be held at any place within or outside the State of California designated by the Board or the Chairman of the Board. In the absence of any such designation, meetings shall be held at the principal office of the Corporation.

**3.2 Annual Meetings.** The annual meeting of the Members shall be held each year on a date and at a time designated by the Board or the Chairman of the Board. At such meeting, Directors shall be elected, reports of the affairs of the Corporation shall be considered, and any other business may be transacted which is within the powers of the Members, provided proper notice of such business was given in accordance with Section 3.4 of this ARTICLE 3.

**3.3 Special Meetings.** Special meetings of the Members may be called at any time by the Board, the President, or by twenty percent (20%) or more of the Members of the Corporation. Upon request in writing to the President, the Vice President, or the Secretary by any person (other than the Board) entitled to call a special meeting of the Members, the Officer forthwith shall cause notice to be given to the Members entitled to vote that a meeting will be held at a time fixed by the Board, not less than thirty-five (35) or more than ninety (90) days after the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the persons entitled to call the meeting may give the notice. No business other than what is generally described in the notice sent in accordance with Section 3.4 of this ARTICLE 3 shall be transacted at such meeting.

**3.4 Notice of Annual or Special Meetings**

**3.4.1** Written notice of each annual or special meeting of the Members shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting to each Member entitled to notice thereof; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, the notice shall be given not less than twenty (20) days before the meeting. Such notice shall state the place, date, and hour of the meeting, the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which Members may participate in that meeting, and:

**3.4.1.1** In the case of a special meeting, the general nature of the business to be transacted; or

**3.4.1.2** In the case of the annual meeting, those matters which the Board, at the time of the mailing of the notice, intends to present for action by the Members, but any proper matter may be presented at the meeting, subject to the provisions of applicable law.

**3.4.2** Notice of any meeting at which the Directors are to be elected shall include the names of all those who are nominees at the time the notice is sent to the Members.

**3.4.3** Notice of a Members meeting shall be given either personally, by electronic transmission by the Corporation, subject to the provisions of Section 3.5 below, or by mail or by other means of written communication, addressed to a Member at the address of such Member appearing on the books of the Corporation or given by the Member to the Corporation for the purpose of notice, or in the case of the annual meeting, written notice may also be given by publication in the La Jolla Golden Triangle Rotary Club Weekly Bulletin, for no less than two (2) weeks prior to the annual meeting of the members. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is transmitted by the person giving the notice by electronic means to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the receiver.

**3.5 Notice by Electronic Transmission.** Notice given by electronic transmission by the Corporation shall be valid only if it complies with Section 20 of the California Corporations Code. Notwithstanding the foregoing, notice shall not be given by electronic transmission by the Corporation after either of the following:

**3.5.1** The Corporation is unable to deliver two consecutive notices to the Member by that means.

**3.5.2** The inability to so deliver the notices to the Member becomes known to the Secretary, any Assistant Secretary, the transfer agent, or other person responsible for the giving of the notice.

**3.6 Participation in Meetings by Conference Telephone and Electronic Means.** Members not physically present in person (or, if proxies are allowed, by proxy) at a meeting of the Members may, by electronic transmission by and to the Corporation pursuant to Sections 20 and 21 of the California Corporations Code or by electronic video screen communication, participate in a meeting of the Members, be deemed present in person (or, if proxies are allowed, by proxy), and vote at a meeting of Members whether that meeting is to be held at a designated place or in whole or in part by means of electronic transmission by and to the Corporation or by electronic video screen communication. Participation in a meeting through use of electronic transmission by and to the Corporation or by electronic video screen communication, constitutes presence in person (or, if proxies are allowed, by proxy) at that meeting if both of the following apply:

**3.6.1** The Corporation implements reasonable measures to provide Members a reasonable opportunity to participate in the meeting and to vote on matters submitted to the Members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings.

**3.6.2** If any Member votes or takes other action at the meeting by means of electronic transmission to the Corporation or electronic video screen communication, a record of that vote or action is maintained by the Corporation.

**3.7 Quorum.** Twenty percent (20%) of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of the Members. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the Members, unless the vote of a greater number is required by the Law, the Articles, or these Bylaws; provided, however, that the Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum. If the Corporation conducts a meeting of the Members with a quorum of less than one-third (1/3) of the Members, the only matters that may be voted upon are matters notice of the general nature of which was given to the Members in accordance with Section 3.4 of this ARTICLE 3. If the Corporation conducts a meeting of the Members with a quorum of more than one-third (1/3) of the Members, any proper matter may be presented at the meeting for action, whether or not specifically mentioned in the notice sent in accordance with



Section 3.4 of this ARTICLE 3. However, even if the Corporation conducts a meeting for the Members with a quorum of more than one-third (1/3) of the Members, action on the following matters shall only be valid if the general nature of the proposal was stated in the notice of the meeting, unless the matter is unanimously approved by all Members;

- 3.7.1 The removal of a Director without cause;
- 3.7.2 The filling of a vacancy on the Board of Directors;
- 3.7.3 The approval of a contract of other transaction between the Corporation and one of more of its Directors or with any corporation, firm or association in which one or more of the Corporation's Directors has a material financial interest;
- 3.7.4 An amendment to the Articles; or
- 3.7.5 The voluntary winding up and dissolution of the Corporation.

**3.8 Adjourned Meetings and Notice Thereof.** Any Members meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the votes represented either in person or by proxy, but in the absence of a quorum except as provided in Section 3.7, no other business may be transacted at such meeting. It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat (or the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which Members may participate), other than by announcement at the meeting at which such adjournment is taken; provided, however, when any Members meeting is adjourned for more than forty-five (45) days, notice of the adjourned meeting shall be given as in the case of the meeting as originally called, whether annual or special.

**3.9 Voting Rights and Voting.** Subject to the provisions of Section 5612 of the Law, each Member shall be entitled to one vote on each matter submitted to a vote of the Members. The Members entitled to notice of any meeting or to vote at any such meeting shall be only persons in whose name memberships stand on the records of the Corporation on the record date for notice determined in accordance with Section 3.10. Elections need not be by ballot; provided, however, that all elections for the Board must be by ballot upon demand made by a Member at the meeting and before the voting begins. In any election of the Board, the candidates receiving the highest number of votes are elected.

**3.10 Record Date.** The Board may fix, in advance, a date as the record date for the determination of the Members entitled to notice of a meeting of Members. The record date so fixed shall not be more than one hundred twenty (120) nor less than ten (10) days before the day of the meeting or, if no date is so fixed, the last day that is the first day of a calendar month beginning at least fifteen (15) days before the day of the meeting. The Board may also fix, in advance, a record date for the purposes of determining the Members entitled to vote at any meeting of the Members. Such record date shall not be more than sixty (60) nor less than ten (10) days before the meeting or, if no date is so fixed, the same date set for record date for determination of Members entitled to notice.

### **3.11 Consent of Absentees**

**3.11.1** The transactions of any meeting of the Members, however called and noticed, and wherever held, are as valid as though had 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, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

**3.11.2** Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Attendance at a meeting is not a waiver of any right to object to the consideration of matters required by the Law to be included in the notice but not so included, if such objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of the Members need be specified in any written waiver of notice, consent to the holding of the meeting, or approval of the minutes thereof, except as provided in Section 5511(f) of the Law.

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

**3.13 Action Without Meeting.** Subject to Section 5513 of the Law, any action which, under any provision of the Law, may be taken at any regular or special meeting of the Members, may be taken without a meeting if the Corporation distributes a written ballot to every Member entitled to vote on the matter. The ballot and any related material may be sent by electronic transmission by the Corporation and responses may be returned to the Corporation by electronic transmission to the Corporation. Such 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 pursuant to this Section 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 is the same as the number of the votes cast by ballot. Ballots shall be solicited in a manner consistent with the requirements of Sections 5511(b), 5513(c), and 5514 of the Law. All such solicitations shall indicate the number of responses needed to satisfy the quorum requirement and, with respect to ballots other than for the election of Directors, shall state the percentage of approvals necessary to pass the measures submitted. The solicitation must specify the time by which the ballot must be received in order to be counted. A written ballot may not be revoked.

**3.14 Proxies.** Every Member entitled to vote has the right to do so either in person or by one or more persons authorized by a written proxy executed by such Member and filed with the Secretary. Any proxy duly executed is not revoked and continues in full force and effect

until revoked by the person executing it prior to the vote pursuant thereto. Such revocation may be effected either:

**3.14.1** By a writing delivered to the Secretary of the Corporation stating that the proxy is revoked;

**3.14.2** By a subsequent proxy executed by the person executing the prior proxy and presented to the meeting; or

**3.14.3** As to any meeting, by attendance at the meeting and voting in person by the person executing the proxy.

No proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three (3) years from the date of execution. The proxy of a Member may not be irrevocable. Any proxy covering matters for which a vote of the members is required, including approval of amendments to the Articles, the principal terms of a merger agreement, or any amendment of those terms; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all of the corporate assets unless the transaction is in the regular course of business; or the election to voluntarily dissolve the corporation shall not be valid unless the proxy sets forth the general nature of the matter to be voted on.

**3.15 Chairman of Meeting.** The Board may select any person to preside as Chairman of any meeting of Members. In the absence of an express selection by the Board of a Chairman, the Chairman of the Board shall preside as Chairman of the meeting of the Members. In the absence of a Chairman of the Board, or if there be none, the President shall preside as Chairman of the meeting of the Members. If the President shall be absent, fail or be unable to preside, the Vice President shall preside. If the Vice President shall be absent, fail or be unable to preside, the Secretary or Treasurer, in that order, shall preside.

**3.16 Conduct of Meeting.** The Chairman shall conduct each such meeting in a businesslike and fair manner, but shall not be obligated to follow any technical, formal, or parliamentary rules or principles of procedure. The Chairman shall have all of the powers usually vested in the Chairman of a meeting of the Members. Without limiting the generality of the foregoing, the Chairman's rulings on procedural matters shall be conclusive and binding on all Members, unless at the time of a ruling a request for a vote is made to the Members entitled to vote and which are represented in person or by proxy at the meeting, in which case the decision of a majority of such Members shall be conclusive and binding on all Members. The Chairman of the meeting shall designate a secretary for such meeting, who shall take and keep or cause to be taken and kept minutes of the proceedings thereof.

**3.17 Inspectors of Election.** In advance of any meeting of Members, the Board may appoint any persons, other than nominees for office, as inspectors of election to act at the meeting and any adjournment thereof. If inspectors of election are not so appointed, or if any such persons fail to appear or refuse to act, the Chairman of any such meeting may, and on the request of any Member or his proxy shall, make such appointment at the meeting. The number of inspectors shall be either one or three. If appointed at a meeting on the request of one or more

Members or proxies, the majority of Members present in person or by proxy shall determine whether one or three inspectors are to be appointed. In the case of any action by written ballot, the Board may similarly appoint inspectors of election.

**3.17.1** The inspectors of election shall determine the number of memberships outstanding, the numbers represented at the meeting, the existence of a quorum and the authenticity, validity and effect of proxies; receive votes, ballots or consents; hear and determine all challenges and questions in any way arising in connection with the right to vote; count and tabulate all votes or consents; determine when the polls shall close; determine the result; and, do such acts as may be proper to conduct the election or vote with fairness to all Members.

**3.17.2** If there are three inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all.

**3.18 Personal Liability of Members.** Members shall not be held personally liable for debts, liabilities, or obligations of the Corporation.

## **ARTICLE 4 DIRECTORS**

**4.1 General Corporate Powers.** Subject to the limitations of the Law, the Articles, and these Bylaws, the activities and affairs of the Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of the Corporation to any person or persons, a management company or committees, however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

**4.2 Specific Powers.** Without prejudice to the general powers set forth in the Law and in Section 4.1 above, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

**4.2.1** To select and remove all Officers, agents, and employees of the Corporation, prescribe powers and duties for them as may not be inconsistent with law, the Articles, or these Bylaws, fix their compensation and require from them such security, if any, for faithful service as the Board may deem appropriate.

**4.2.2** To conduct, manage, and control the affairs and activities of the Corporation, and to make such rules and regulations therefor not inconsistent with law, the Articles, or these Bylaws, as the Board may deem appropriate.

**4.2.3** To adopt, make, and use a corporate seal and to alter the form of such seal from time to time as the Board may deem appropriate.

**4.2.4** To borrow money and incur indebtedness for the purposes of the Corporation and to cause to be executed and delivered therefor, in the corporate name,

promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.

**4.3 Number of Directors.** The authorized number of Directors shall be not less than three (3) nor more than nine (9) until changed by amendment of the Articles or these Bylaws. The exact number of Directors shall be fixed, within the limits specified, by resolution duly adopted by the Members. The initial number of Directors shall be seven (7) until changed as provided in this Section 4.3.

**4.4 Selection of Directors.** The Directors shall be elected by the Members at each annual meeting of the Members, but if any such annual meeting is not held or Directors are not elected thereat, Directors may be elected at a special meeting of the Members held for that purpose. In any election of Directors, the candidates receiving the highest number of votes are elected. At the annual meeting, the immediate Past President of the La Jolla Golden Triangle Rotary Club shall automatically be designated as a Director, and shall hold office until the next ensuing annual meeting of the Members. This Director position shall annually be filled by the immediate Past President of the La Jolla Golden Triangle Rotary Club for no more than a one year term.

**4.5 Term of Office.** In an organizational meeting of the Board, following the adoption of these Bylaws, the Board shall divide itself into three groups of as nearly equal size as possible. The terms of office for each group of Directors shall be staggered. The first group of Directors shall hold office until the next following annual meeting of the Board, the second group shall hold office until the second following annual meeting of the Board, and the third group shall hold office until the third following annual meeting of the Board. Thereafter the Directors in each group shall hold office until the third ensuing annual meeting of the Board following their election. The terms of all Directors shall extend until such Directors' respective successors are elected and qualified. At each annual meeting of the Board, a number of Directors shall be elected by the entire Board equal to the number of Directors whose terms shall have expired at the time of such meeting, unless the authorized number of Directors has been changed by amendment. If the authorized number of Directors is increased, additional Directors shall be assigned by the Board to one of the foregoing three groups at the time of election.

**4.6 Interested Persons.** Not more than forty-nine percent (49%) of the persons serving on the Board at any time may be interested persons. For purposes of this Section 4.6, an interested person is:

**4.6.1** Any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as a Director; or

**4.6.2** 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.

Any violation of the provisions of this Section 4.6 shall not affect the validity or enforceability of any transaction entered into by the Corporation.

#### **4.7 Transactions in Which Directors Have Personal Interest**

**4.7.1** Any transaction of the Corporation in which any of its Directors have a material financial interest shall be entered into or consummated only if:

**4.7.1.1** The transaction is fair and reasonable as to the Corporation at the time the Corporation enters into the transaction;

**4.7.1.2** The Corporation enters into the transaction for its own benefit; and

**4.7.1.3** Prior to consummating the transaction or any part thereof the Board authorizes or approves the transaction in good faith by a vote of the majority of the Directors then in office without counting the vote of the interested Director or Directors (although such Director or Directors may be counted for purposes of determining the presence of a quorum at the meeting at which such action is taken), and with knowledge of the material facts concerning the transaction and such Director's interest in the transaction.

**4.7.2** If it is not reasonably practicable to obtain such approval by the Board prior to entering into the transaction, a committee or person authorized by the Board may approve the transaction in a manner consistent with the standards of Section 4.7.1; provided, however, that at its next meeting the Board:

**4.7.2.1** Determines that it was not reasonably practicable to obtain approval by the Board prior to entering into the transaction;

**4.7.2.2** Determines that the committee or person authorized by the Board approved the transaction in the required manner; and

**4.7.2.3** Ratifies the transaction by a vote of the majority of the Directors then in office without counting the vote of the interested Director or Directors (although such Director or Directors may be counted for purposes of determining the presence of a quorum at the meeting at which such action is taken).

**4.7.3** Sections 4.7.1 and 4.7.2 shall not apply to:

**4.7.3.1** An action of the Board fixing the compensation of a Director as a Director or Officer of the Corporation;

**4.7.3.2** A transaction which is part of a public or charitable program of the Corporation if it:

**4.7.3.2.1** Is approved or authorized by the Corporation in good faith and without unjustified favoritism; and

**4.7.3.2.2** Results in a benefit to one or more Directors or their families because they are in the class of persons intended to be benefited by the public or charitable program; or

**4.7.3.3** A transaction of which the interested Director or Directors have no actual knowledge and which does not exceed the lesser of one percent (1%) of the gross receipts of the Corporation for the preceding fiscal year or One Hundred Thousand Dollars (\$100,000).

**4.7.4** Any contract or other transaction (other than transactions subject to Sections 4.7.1 or 4.7.3 above) between the Corporation and any corporation, firm, association, or other entity of which one or more of this Corporation's Directors are directors or trustees shall be entered into or consummated only if:

**4.7.4.1** The material facts relating to the transaction and to such Director's other directorship are fully disclosed or known to the Board or committee, and the Board or committee authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director or Directors; or

**4.7.4.2** The contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved, or ratified.

**4.7.5** Notwithstanding any provision of this Section 4.7, at any time during which Section 4958 of the Internal Revenue Code (the "Code") applies to the Corporation, the Corporation shall consider the possible effect of Section 4958 on any transaction which could constitute an excess benefit transaction as defined in Section 4958(c) of the Code. At any time during which Section 4941 of the Code applies to the Corporation, the Corporation shall not enter into any transaction which would constitute direct or indirect self-dealing as defined in Section 4941(d) of the Code.

## **4.8     Resignation and Vacancies**

**4.8.1** Subject to the provisions of Section 5226 of the Law, any Director may resign effective upon giving written notice to the Chairman of the Board, the President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective.

**4.8.2** A vacancy on the Board shall be deemed to exist in case of the death, resignation, or removal of any Director or an increase in the authorized number of Directors. Vacancies on the Board shall be filled by election by the Members, pursuant to Section 4.4 above, provided that any such vacancy may be filled by a majority of the Members, although less than a quorum, or by a sole remaining Member at any regular or special meeting of the Members. If no Member is then serving, a vacancy on the Board shall be filled by a majority of the Directors then serving, whether or not said majority constitutes a quorum, or by a sole remaining Director at any regular or special meeting of the Directors. Each Director so selected shall hold office until the expiration of the term of the replaced Director and until a successor has been selected and qualified.

**4.9     Removal.** Any Director or Directors may be removed from office without cause if such removal is approved by a majority of the Members, or if none, by a majority of the Directors then in office. The Board 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 court or judgment of any court to have breached any duty arising under Sections 5230 through 5238 of the Law. No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

**4.10 Place of Meetings.** Meetings of the Board shall be held at any place within or outside the State of California which has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation.

**4.11 Annual Meetings.** The Board shall hold an annual meeting for the purposes of organization, selection of Directors and Officers, and the transaction of other business. Annual meetings of the Board shall be held on such dates and at such times as may be fixed by the Board.

**4.12 Regular Meetings.** Regular meetings of the Board may be held without call or notice on such dates and at such times as may be fixed by the Board.

**4.13 Special Meetings.** Special meetings of the Board for any purpose or purposes may be called at any time by the Chairman of the Board, the President, any Vice President, the Secretary, or any Director.

**4.14 Notice**

**4.14.1** Annual and special meetings of the Board shall be held upon at least four (4) days' notice by first-class mail or forty-eight (48) hours' notice given personally or by telephone (including a voice messaging system) or by electronic transmission by the Corporation as defined in Section 20 of the California Corporations Code. Any such notice shall be addressed or delivered to each Director at such Director's address as it is shown upon the records of the Corporation or as may have been given to the Corporation by the Director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place where the meetings of the Directors are regularly held.

**4.14.2** Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the receiver. The notice of a special meeting shall state the time of the meeting and the place, if the place is other than the principal office of the Corporation.

**4.15 Quorum.** A majority of the number of Directors then serving, or three Directors, whichever is greater, constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in Section 4.18. 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 shall be regarded as the act of the Board, unless a greater number be required by law or by the Articles, except as provided in



the next sentence. 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.

**4.16 Participation in Meetings by Conference Telephone and Electronic Means.**

Directors may participate in a meeting of the Board, or a committee meeting, through use of a conference telephone, electronic video screen communication or electronic transmission by and to the Corporation pursuant to Sections 20 and 21 of the California Corporations Code. Participation in a meeting through the use of conference telephone or electronic video screen communication constitutes presence in person at that meeting as long as all members participating in that meeting can hear one another. Participation in a meeting through use of electronic transmission by and to the Corporation, other than telephone conference and electronic video screen communication, constitutes presence in person at that meeting if both of the following apply:

**4.16.1** Each member participating in the meeting can communicate with all of the other members concurrently.

**4.16.2** Each member is provided the means of participating in all matters before the Board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation.

**4.17 Waiver of Notice.** Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

**4.18 Adjournment.** A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, reasonable notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

**4.19 Action Without Meeting.** Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action in writing, or by telegraph, facsimile, electronic mail, or other electronic means of communication. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board. For the purposes of this Section only, "all members of the Board" shall not include any "interested director" as defined in Section 5233 of the Law.

**4.20 Rights of Inspection.** Every Director shall 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.

**4.21 Executive Committee**

**4.21.1** The Board may, by resolution adopted by a majority of the number of Directors then in office, establish an executive committee consisting of at least two Directors (with the specific number to be determined by the Board) which, except when the Board is in session, and except as its powers may be otherwise limited by the Board, shall have and may exercise the powers of the Board in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it. The Executive Committee shall also have the power of general supervision, management, and control of the business of the Corporation and over its several Officers.

**4.21.2** Appointments to the Executive Committee shall be by a majority vote of the Directors then in office. A majority of all the members of the Executive Committee may determine its rules of procedure unless the Board shall otherwise provide. The Board shall have the power to change the members of the Executive Committee at any time, either with or without cause and to fill vacancies; provided that all appointments to the Executive Committee shall be by a majority vote of the Directors then in office. The compensation, if any, of each member of the Executive Committee shall be as prescribed from time to time by the Board. Any action which under the provisions of the Law may be taken at a meeting of the Executive Committee, may be taken without a meeting if authorized by a writing signed by all members of the Executive Committee who would be entitled to vote at a meeting for such purpose and filed with the Secretary of the Corporation.

**4.22 Audit Committee.** For any fiscal year in which the Foundation receives or accrues gross revenues of \$2 million or more, the Board of Directors shall establish an Audit Committee, which may include non-Board members, but may not include the Foundation's President or Treasurer, any member of the Foundation staff, or any person who has a material financial interest in any entity doing business with the Foundation. No individual who receives compensation from the Foundation in excess of the compensation then paid to any Director for services as a Director may be a member of the Audit Committee. If the Foundation has established a Finance Committee, the Chair of the Audit Committee may not be a member of the Finance Committee, and members of the Finance Committee must constitute less than one-half of the Audit Committee. The duties of the Audit Committee shall be: 1) to recommend to the Board of Directors the retention and termination of the independent auditor; 2) to negotiate the compensation of the auditor on behalf of the Board; 3) to confer with the auditor to ensure that the financial affairs of the Foundation are in order; 4) to review the audit documents and determine whether to accept the audit; and 5) to approve performance of any non-audit services to be provided by the auditing firm.

**4.23 Standing or Special Committees**

**4.23.1** The term "standing committee" or "special committee" shall mean any committee appointed by the Board which is authorized by specific delegation, without further

Board action, to make and implement decisions on behalf of the Board, or to implement, with some degree of discretion, decisions of the Board pursuant to guidelines established by the Board. Notice of, and procedures for, meetings of standing or special committees shall be as prescribed by the chairman of each such standing or special committee, and meetings of standing or special committees may be called by the Board or the chairman of the standing or special committee.

**4.23.2** In the event that the Board determines that the management of the Corporation would be benefited by the establishment of one or more standing or special committees in addition to the Executive Committee, the Board may from time to time establish one or more such committees. The establishment of a standing or special committee shall be effected by a resolution of the Board approved by the vote of the majority of the Directors then in office which specifically sets forth the powers and duties delegated to such committee. Each such committee shall consist of two or more Directors and shall be presided over by a Director selected by the Board.

**4.24 Limitations upon Committees of the Board.** No committee of the Board shall have any of the authority of the Board with respect to:

**4.24.1** the approval of any action for which the Law also requires approval of the Members or the approval of a majority of all members;

**4.24.2** the filling of vacancies on the Board or on any committee which has the authority of the Board;

**4.24.3** the fixing of compensation of the Directors for serving on the Board or on any committee which has the authority of the Board;

**4.24.4** the amendment or repeal of Bylaws or the adoption of new Bylaws;

**4.24.5** the amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

**4.24.6** the appointment of other committees of the Board or the members thereof if such committee will have the authority of the Board;

**4.24.7** the expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; or

**4.24.8** the approval of any self-dealing transaction described in Section 5233 of the Law, except that when it is not reasonably practicable to obtain approval of the Board prior to entering into such a transaction, a committee authorized by the Board may approve the transaction in a manner consistent with the standards set forth in Section 5233(d) of the Law subject to ratification by a majority of the Directors then in office (without counting the vote of any interested Director) at the next meeting of the Board.

**4.25 Advisory Commissions.** The Chairman of the Board, the Board, the Executive Committee, or the President may from time to time appoint such advisory commissions as

deemed appropriate, consisting of Directors or persons who are not Directors. Such advisory commissions shall not be deemed committees of the Board (even if they are referred to as “committees”) and shall not exercise any powers of the Board. Notice of, and procedures for, meetings of advisory commissions shall be as prescribed by the chairman of each such advisory commission, and meetings of advisory commissions may be called by the Chairman of the Board, the Board, the Executive Committee, the President, or the chairman of the advisory commission.

**4.26 Committee Meetings; Notice; Voting; Minutes.** Meetings of a committee may be called by the President, the chairman of the committee, or a majority of the committee’s voting members. Each committee shall meet as often as is necessary to perform its duties. Notice of a meeting of a committee may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meeting. A majority of the voting members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. Each committee shall keep minutes of its proceedings and shall report periodically to the Board. A committee may take action by majority vote.

**4.27 Resignation and Removal of Committee Members.** Any member of a committee may resign at any time by giving written notice to the chairman of the committee or to the President. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice.

**4.28 Vacancies on Committees.** A vacancy in any committee shall be filled for the unexpired portion of the term in the same manner as the committee member whose position is vacant was selected.

**4.29 Fees and Compensation.** The Directors shall receive no compensation for their services as such but the Board may authorize reimbursement of expenses incurred by the Directors in the performance of their duties. Notwithstanding the foregoing, this Corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director or Officer, unless approved by the Attorney General; provided, however, that the Corporation may advance money to a Director or Officer of the Corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such Officer or Director, provided that in the absence of any such advance, such Director or Officer would be entitled to be reimbursed for such expenses by the Corporation. Subject to the provisions of Section 4.6, nothing contained in this Section 4.29 shall be construed to preclude any Director from serving the Corporation in any other capacity as an Officer, agent, employee, or otherwise, and receiving reasonable compensation therefor.

## **ARTICLE 5 OFFICERS**

**5.1 Officers.** The Officers of the Corporation shall be a President, a Secretary, and a Treasurer. The Corporation may also have, at the discretion of the Board, a Chairman of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other Officers as may be elected or appointed in accordance with the provisions of Section 5.3. Any number of offices may be held by the same person except that

neither the Secretary nor the Treasurer may serve concurrently as the President or Chairman of the Board.

**5.2 Election.** The Officers of the Corporation, except such Officers as may be elected or appointed in accordance with the provisions of Section 5.3 or Section 5.5, shall be chosen annually by, and shall serve at the pleasure of, the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected.

**5.3 Subordinate Officers.** The Board may elect, and may empower the President to appoint, such other Officers as the business of the Corporation may require, each of whom shall hold office for such period and have such authority and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

**5.4 Removal and Resignation**

**5.4.1** Any Officer may be removed, either with or without cause, by the Board at any time or, except in the case of an Officer chosen by the Board, by any Officer upon whom such power of removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of the Officer under any contract of employment of the Officer with the Corporation.

**5.4.2** Any Officer may resign at any time by giving written notice to the Corporation, but without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**5.5 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

**5.6 Chairman of the Board.** The Chairman of the Board, if there be such an Officer, shall be elected from among the Directors then serving. The Chairman of the Board shall, if present, preside at all meetings of Members and all meetings of the Board and shall exercise and perform such other powers and duties as may be from time to time assigned by the Board. At such time as the Chairman of the Board shall cease to serve as a Director, he or she shall also automatically cease to serve as Chairman of the Board.

**5.7 President.** Subject to such powers, if any, as may be given by the Board to the Chairman of the Board, if there be such an Officer, the President is the general manager and chief executive officer of the Corporation and has, subject to the control of the Board, general supervision, direction, and control of the business and Officers of the Corporation. The President has the general powers and duties of management usually vested in the office of president and general manager of a corporation and such other powers and duties as may be prescribed by the Board. In the absence of the Chairman of the Board, or if there be none, the

President shall perform all of the duties of the Chairman of the Board and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Chairman.

**5.8 Vice Presidents.** In the absence or disability of the President, the Vice Presidents, if any be appointed, in order of their rank as fixed by the Board or, if not ranked, the Vice President designated by the Board, shall perform all the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board.

**5.9 Secretary.** The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of the Members, the Board, and committees of the Board, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Member, Board, and committee meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office of the Corporation in the State of California the original or a copy of the Corporation's Articles and Bylaws, as amended to date. The Secretary shall also keep a membership register, showing the names of the Members and their addresses. The Secretary shall give, or cause to be given, notice of all meetings of the Members, the Board, and any committees thereof required by law or by these Bylaws to be given, shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

**5.10 Treasurer.** The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation. The books of account shall at all times be open to inspection by any Director. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board, shall render to the President and the Directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board.

**5.11 Chief Financial Officer.** The Board may designate a person, who need not be a member of the Board, to serve as the Chief Financial Officer of the Corporation. In the absence of such a designation, the Treasurer shall serve as the Chief Financial Officer of the Corporation.

**5.12 Miscellaneous Duties of All Officers and Directors.** It shall be the responsibility of all Officers and Directors to maintain a copy and/or record of all transactions, correspondence or other matters of business conducted on behalf of and/or using the name of the Corporation and to forthwith forward a copy of the same to the President. The President shall receive such records for inclusion as appropriate in the Corporation's working files and/or the Corporation's record book maintained by the Secretary.

**5.13 Compensation of Officers.** The Officers shall receive no compensation for their services as such, but the Board may authorize reimbursement of expenses incurred by Officers in

the performance of their duties. Nothing herein shall preclude an Officer from serving the Corporation in any other capacity and receiving compensation for such services.

## **ARTICLE 6 OTHER PROVISIONS**

**6.1 Endorsement of Documents; Contracts.** Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing, and any assignment or endorsement thereof, executed or entered into between the Corporation and any other person, when signed by the Chairman of the Board, the President, or any Vice President and the Secretary, any Assistant Secretary, the Treasurer, or any Assistant Treasurer of the Corporation shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other person that the signing Officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, and, unless so authorized by the Board, no Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

**6.2 Representation of Shares of Other Corporations.** The President, or any other Officer or Officers authorized by the Board or the President, are each authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation. The authority herein granted may be exercised either by such Officer in person or by any other person authorized to do so by proxy or power of attorney duly executed by said Officer.

**6.3 Construction and Definitions.** Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

**6.4 Amendment of Articles.** Except as otherwise provided in the Articles or these Bylaws, the Articles of Incorporation may be amended or repealed and new Articles adopted by a majority vote of the Board and by two-thirds (2/3) of the voting power of the Members represented and voting at any duly held and noticed meeting at which a quorum is present.

**6.5 Amendment of Bylaws.** These Bylaws may be amended or repealed, subject to the provisions of the Law, by the majority vote of the Board or majority vote of the Members, provided, however, that:

**6.5.1** Any amendment or repeal that would materially and adversely affect the rights of the Members as to voting or transfer shall be effective only if approved by a majority of the Members; and

**6.5.2** A Bylaw changing the fixed number of Directors, or the maximum or minimum number of changing from a fixed to a variable number of Directors or vice versa shall be effective only if approved by a majority of the Members.

**6.6     Maintenance of Certain Records.** The accounting books, records, and minutes of proceedings of the Members, the Board, and the Executive Committee of the Board shall be kept at such place or places designated by the Board, or, in the absence of such designation, at the principal office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form, or in any other form capable of being converted into written, typed, or printed form. The minutes and accounting books and records shall be open to inspection on the written demand of any Member, at any reasonable time during usual business hours, for a purpose reasonably related to the Member's interests as a Member. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts.

**6.7     Annual Report.** The Board shall cause an annual report to be furnished to the Directors and to the Members not later than one hundred twenty (120) days after the close of the Corporation's fiscal year. The annual report shall be accompanied by any report thereon of independent accountants or, if there is no such accountant's report, the certificate of an authorized Officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation. The annual report shall contain in appropriate detail the following:

**6.7.1**     The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;

**6.7.2**     The principal changes in assets and liabilities, including trust funds, during the fiscal year;

**6.7.3**     The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

**6.7.4**     The expenses or disbursements of the Corporation, for both general and restricted purposes, for the fiscal year; and

**6.7.5**     Any information required by Section 6.8 of these Bylaws.

**6.8     Annual Statement of Certain Transactions and Indemnifications**

**6.8.1**     The Corporation shall furnish annually to its Members and Directors a statement of any covered transaction or indemnification described below, if such covered transaction or indemnification took place. Such annual statement shall be affixed to and sent with the annual report described in Section 6.7 of these Bylaws. A covered transaction under this Section 6.8 is a transaction in which the Corporation was a party, and in which either of the following interested persons had a direct or indirect material financial interest (excluding a mere common directorship):

**6.8.1.1**     Any Member, Director, or Officer of the Corporation, or its parent or subsidiary; or

**6.8.1.2**     Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent or its subsidiary.



**6.8.2** The statement required by this Section 6.8 shall describe briefly:

**6.8.2.1** Any covered transaction (including compensation of Officers and Directors) during the previous fiscal year involving more than Fifty Thousand Dollars (\$50,000), or which was one of a number of covered transactions in which the same interested persons had a direct or indirect material financial interest and which transactions in the aggregate involve more than Fifty Thousand Dollars (\$50,000);

**6.8.2.2** The names of the interested persons involved in such transactions, stating such person's relationship to the Corporation, the nature of such person's interest in the transaction, and, where practicable, 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; and

**6.8.2.3** The amount and circumstances of any indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the fiscal year to any Officer or Director of the Corporation pursuant to ARTICLE 7 of these Bylaws.

**6.9 Financial Audits.** For any fiscal year in which the Foundation receives or accrues gross revenues of \$2 million or more, the Foundation shall prepare a financial statement which shall be audited by an independent certified public accountant in accordance with generally accepted accounting principles.

## **ARTICLE 7 INDEMNIFICATION**

**7.1 Definitions.** For the purposes of this ARTICLE 7, the following definitions shall apply:

**7.1.1** References to "agent" mean any person who is or was a Director, Officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of the Corporation or of another enterprise at the request of such predecessor corporation;

**7.1.2** References to "proceeding" mean any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

**7.1.3** References to "expenses" include without limitation attorneys' fees and any expenses of establishing a right to indemnification under Sections 7.5 or 7.6.2.

**7.2 Indemnification in Actions by Third Parties.** The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an agent of the

Corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The Corporation shall, to the maximum extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5233 of the Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an Officer or Director of the Corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

**7.3 Indemnification in Actions by or in the Right of the Corporation.** The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Corporation, or brought under Section 5233 of the Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. The Corporation shall, to the maximum extent permitted by law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Corporation, or brought under Section 5233 of the Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an Officer or Director of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 7.3:

**7.3.1** In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the Corporation in the performance of such person's duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such

person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

**7.3.2** Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

**7.3.3** Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

**7.4 Limitation on Indemnification.** Notwithstanding the foregoing Sections 7.2 and 7.3, at any time during which Section 4941 of the Code applies to the Corporation, no indemnification shall be made nor indemnification reimbursement insurance purchased where it would constitute an act of self-dealing under Section 4941 of the Code.

**7.5 Indemnification Against Expenses.** To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Sections 7.2 and 7.3, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

**7.6 Required Determinations.** Except as provided in Section 7.5, any indemnification under this ARTICLE 7 shall be made by the Corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 7.2 and 7.3, by:

**7.6.1** A majority vote of a quorum consisting of Directors who are not parties to such proceeding; A majority vote of a quorum consisting of Members who are not parties to such proceeding; or

**7.6.2** The court in which such proceeding is or was pending upon application made by the Corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Corporation.

**7.7 Advance of Expenses.** Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this ARTICLE 7.

**7.8 Other Indemnification.** No provision made by the Corporation to indemnify its or its subsidiary's Directors or Officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of the Members or Directors, an agreement, or otherwise, shall be valid unless consistent with this ARTICLE 7. Nothing contained in this ARTICLE 7 shall affect any right to indemnification to which persons other than such Directors and Officers may be entitled by contract or otherwise.

**7.9 Forms of Indemnification Not Permitted.** No indemnification or advance shall be made under this ARTICLE 7, except as provided in Sections 7.5 or 7.6.2, in any circumstances where it appears:

**7.9.1** That it would be inconsistent with a provision of the Articles, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

**7.9.2** That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

**7.10 Insurance.** The Corporation shall have power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability 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 this ARTICLE 7; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the Corporation for a violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law.

**7.11 Nonapplicability to Fiduciaries of Employee Benefit Plans.** This ARTICLE 7 does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the Corporation as defined in Section 7.1. The Corporation shall have power to indemnify such trustee, investment manager, or other fiduciary to the extent permitted by subdivision (f) of Section 5140 of the California Nonprofit Corporation Law.

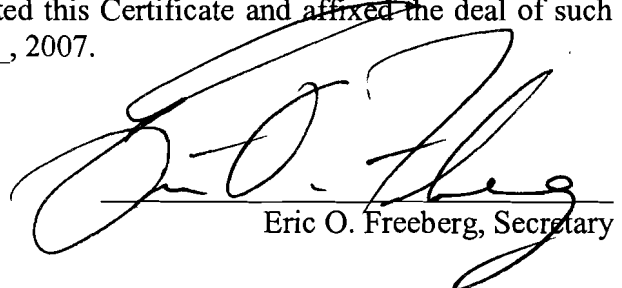
## **CERTIFICATE OF SECRETARY**

I, Eric O. Freeberg, certify:

That I am the duly elected and acting Secretary of La Jolla Golden Triangle Rotary Club Foundation, a California nonprofit public benefit corporation; and

That the foregoing Amended and Restated Bylaws, comprising twenty-four (24) pages, constitute the Amended and Restated Bylaws of such corporation on the date hereof.

IN WITNESS WHEREOF, I have executed this Certificate and affixed the seal of such corporation on DECEMBER 7, 2007.



Eric O. Freeberg, Secretary