

BYLAWS OF CALISTOGA WINEGROWERS
A California Nonprofit Mutual Benefit Corporation

ARTICLE 1 LOCATION OF OFFICES

The name of this corporation is CALISTOGA WINEGROWERS. It is a California nonprofit mutual benefit corporation with principal offices for the transaction of its activities and affairs located at P O Box 1299, Calistoga, Ca 94515 in Napa County, California. The Board of Directors may change the location of the principal office. Any such change of location must be noted by the secretary on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

ARTICLE 2 PURPOSE

Calistoga Winegrowers is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The purpose of the corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law. In the context of these general purposes, the corporation shall promote and protect the Calistoga American Viticultural Area. Also in the context of these purposes, the corporation shall promote and protect the past, present and future of grape growing and winemaking in the Calistoga Viticultural Area, celebrate the history of Calistoga, raise awareness of the singularity of Calistoga through educational and marketing programs that are both inclusive and fun, and engage in any other lawful activities permitted under the California Nonprofit Mutual Benefit Corporation Law.

ARTICLE 3 MEMBERSHIP

Section 3.1. Membership.

The Members of this corporation shall consist of those who have complied with the requirements set forth in Section 3.2 of these bylaws, have properly presented themselves for membership in accordance with the procedures determined by the Directors, and have been enrolled as Members on the membership roster. There shall be three classes of membership, termed "Member".

Section 3.2. Requirements of Membership.

The three classes of membership are as follows:

Producing Member - A Vineyard growing grapes in the Calistoga American Viticultural Area (AVA) or a winery producing or selling Calistoga AVA labeled wine. The winery does not have to be located within the Calistoga AVA in order to qualify for membership.

- Eligible to participate in any and all AVA functions/events
- Full Voting rights
- Listing on any and all AVA publications when appropriate

Non-Producing Member – A Winery physically located in the Calistoga AVA. Tasting rooms may be considered, on a case by case basis, at the discretion of the Board of Directors.

- Only eligible to participate in AVA functions/events after producing members are given first right of refusal, and there are still openings. Participation is also at the discretion of the Board of Directors.
- Full voting rights
- Listing on AVA publications at the Board of Directors discretion.

Associate Member – Any non-vineyard, non-winery entity which has a genuine interest in promoting the Calistoga AVA.

- No voting rights
- Listing on AVA publications at the Board’s discretion

To maintain membership, a person or entity must pay, within the time and on the conditions set by the Board of Directors, such dues, fees or assessments as the Board of Directors may fix from time to time; participate on a regular basis in the activities of the corporation; and otherwise fully comply with its rules and regulations. Members who have paid the required dues, fees, and/or assessments and complied with the other requirements set forth in these bylaws, and who are not suspended, shall be Members in good standing.

Section 3.3. Membership Rights.

Producing and Non-Producing Members shall have the right to vote, as set forth in Section 3.4 of these bylaws, on the election of Directors, on the disposition of all or substantially all of the assets of the corporation, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the corporation. In addition, those Members shall have all rights afforded members under the California Nonprofit Mutual Benefit Corporation Law. If the corporation is dissolved, those Member shall receive a pro rata distribution of all assets, exclusive of those held in charitable trust, remaining after payment or provision for payment of the obligations and debts of the corporation and provision for any other payment required under applicable law.

Membership in this corporation shall not vest in any Member the right to any distributions from the corporation during the existence of the corporation and shall only entitle the Member to vote at meetings of the Members and to participate in any distribution on dissolution of the corporation. Membership shall not be assignable inter vivos by any Member, nor shall membership vest to any personal representative, heir, or devisee.

Section 3.4. Voting Rights.

Each Producing or Non-Producing Member in good standing shall be entitled to cast one vote with respect to those matters submitted to the membership for action or approval. Only Members who are current in payment of membership fees shall be entitled to vote. No Member shall have more than one (1) vote, irrespective of whether said Member owns one (1) or more than one (1) vineyard, winery, wine cellar or wholesale business, or any combination thereof. Each Member shall designate an individual to act as that Member’s voting representative. No individual may serve as the designated voting representative for more than one (1) Member. Votes may be

taken at a meeting by voice, by show of hands; or by ballot, except that any election of Directors must be by ballot if demanded before the voting begins by any Member at the meeting. Votes may also be accepted by fax or written consent according to those rules established by the Board of Directors.

Section 3.5. Nonvoting Members.

This corporation may refer to persons as "Associate Members" or other persons or entities associated with it as "members," even though those persons or entities are not voting members as set forth in Sections 3.1, 3.2, 3.3 and 3.4 of these bylaws, but no such reference shall constitute anyone as a member within the meaning of Corporations Code section 5056 unless that person or entity shall have qualified for a voting membership under Section 3.2 of these bylaws.

References in these bylaws to "Members" shall mean members as defined in Corporations Code section 5056; *i.e.*, the Members of the class set forth in Section 3.1 of these bylaws. By amendment of its articles of incorporation or these bylaws, the corporation may grant some or all of the rights of a Member to any person or entity that does not have the right to vote on the matters specified in Section 3.4 of these bylaws, but no such person or entity shall be a member within the meaning of Corporations Code section 5056.

Section 3.6. Removal of Members.

Membership of any Member shall cease on the happening of any of the following events:

The Member's death or resignation;

Expiration of the term of membership, unless the membership is renewed on the renewal terms fixed by the Board;

The failure of Member to actively participate in the activities of the organization;

Any event that renders the Member ineligible for membership, or the failure to satisfy membership qualifications as set forth in Section 3.2;

The failure of the Member to pay dues, fees or assessments as set by the Board within ten (10) days after notice that they are due and payable; or

The failure of the Member to fully comply with the rules and regulations of the corporation.

On a determination by the Directors or other body authorized by Directors that one or more of these events (other than the Member's death or resignation) has occurred, and that the Member should be expelled or suspended, or his or her membership terminated or suspended, the following shall occur:

A minimum of 15 days' prior notice of the expulsion, suspension or termination and the reasons therefore shall be given to the Member. If the Member does not pay the dues or otherwise contact the corporation within 10 days of the notice to protest the removal, the Member shall be removed from the membership list.

If the Member timely files a protest, the Member shall be given an additional five (5) days to present a written explanation/objection for presentation to the Board of Directors or other body authorized to decide. Thereafter, the Board of Directors or other body or person authorized to decide shall consider the written explanation/objection prior to making a final decision on whether or not the Member shall be removed, and shall notify the Member accordingly. The decision of the Board of Directors or other body or person authorized to decide shall be final.

Notice shall be given by any method reasonably calculated to provide actual notice.

Notice given by mail shall be sent by first-class or registered mail to the last address

of the Member, as shown on the corporation's records. Such notice given by mail is deemed to have been received by the Member four (4) days after mailing. Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension, or termination.

Section 3.7. Notice and Place of Meetings.

Whenever Members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given, consistent with this Section of these bylaws, to each Member entitled to vote at that meeting. The notice shall specify the place, date and hour of the meeting, and the means of electronic transmission by and to the corporation or electronic video screen communication, if any, by which Members may participate in the meeting. The notice of any meeting at which Directors are to be elected shall include the names of all persons who are nominees as of the time when notice is given. Notice of any special meeting of Members shall specify the place, the day, and the hour of meeting, and as provided by the California Corporations Code, the general nature of the business to be transacted. Notice of any regular annual meeting of the Members shall specify the place, the day, and the hour of meeting, and as provided by the California Corporations Code, the matters that the Board, at the time notice is given, intends to present for action by the Members.

Approval by the Members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

Removing a director without cause;

Filling vacancies on the board;

Amending the articles of incorporation;

Electing to wind up and dissolve the corporation;

Approving a contract or transaction between the corporation and any entity in which a Director has a material financial interest; or

Approving a plan of distribution of assets, other than money, not in accordance with liquidation rights of the Members as specified in the articles or bylaws, when the corporation is in the process of winding up.

Written notice of any meeting of Members shall be in writing and given personally or by mailing by first class, registered, or certified mail, to each Member, at his or her last known address, postage prepaid, at least 10 days and no more than 90 days before the time fixed for holding the meeting. An affidavit of the mailing of any notice of any Members' meeting, or of the giving of such notice by other means, may be executed by the Secretary, Assistant Secretary, or any transfer agent of the corporation, and if so executed, shall be filed and maintained in the corporation's minute book.

Email, Facsimile, or Other Electronic Transmission of Notice of Meeting.

Notwithstanding anything to the contrary in these bylaws, written notice of every meeting, whether annual, regular, or special, may be delivered by email, facsimile, or other

electronic transmission. Notice given by electronic transmission by the corporation shall be valid only if:

Delivered by:

facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the corporation;

posting on an electronic message board or network that the corporation has designated for those communications, together with separate notice to the recipient of the posting, which transmission shall be validly delivered on the later of the posting or delivery of the separate notice of it; or

other means of electronic communication; and

To a recipient who has provided an unrevoked consent to the use of those means of transmission for communications; and

That creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

Notwithstanding the foregoing,

An electronic transmission by the corporation to a member is not authorized unless, in addition to satisfying the requirements of this section, the consent of the transmission has been preceded by or includes a clear written statement to the recipient as to (A) any right of the recipient to have the record provided or made available on paper in non- electronic form, (B) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the corporation, and (C) the procedures the recipient must use to withdraw consent.

Notice shall not be given by electronic transmission by the corporation after either of the following: (A) the corporation is unable to deliver two consecutive notices to the member by that means or (B) the inability to so deliver the notices to the member becomes known to the Secretary, any assistant Secretary, or any other person responsible for the giving of the notice.

Further notwithstanding anything to the contrary in these bylaws, any meeting whether regular, special, or adjourned of the Members of this corporation may be held at any place within or without California that has been designated by the Board or by the written consent of all Members entitled to vote at the meeting, given before or after the start of the meeting.

Authority for Electronic Meeting. If authorized by the Board in its sole discretion, and subject to the requirements of consent in Corporations Code Section 20(b) and guidelines and procedures the Board may adopt, Members not physically present in person (or, if proxies are allowed, by proxy) at a meeting of Members may, by electronic transmission by and to the corporation or by electronic video screen communication, participate in a meeting of 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 into the corporation or by electronic video screen communication, subject to the requirements of these bylaws.

Requirements for Electronic Meetings. A meeting of the Members may be conducted, in whole or in part, by electronic transmission by and to the corporation or by electronic video screen communication (1) if the corporation implements reasonable measures to provide Members in person (or, if proxies are allowed, by proxy) 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, and (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. Any request by the corporation to a member pursuant to Corporations Code Section 20(b) for consent to conduct a meeting of Members by electronic transmission by and to the corporation shall include a notice stating that, absent consent of the Member pursuant to Corporations Code Section 20(b), the meeting shall be held at a physical location in accordance with the provisions of this Section (including but not limited to subsections 3.7, 3.8, 3.9 and 3.10) of these bylaws.

Section 3.8. Regular Annual Meetings.

The regular annual meeting of the Members shall be noticed at a place and time which shall be from time to time designated by the Board of Directors. At the regular annual meeting, the Members shall consider reports of the affairs of the corporation and transact other business as properly may be brought before the meeting, including but not limited to, the election of Directors of the corporation (unless elected by written ballot) to serve for the ensuing year and until their successors are elected and qualified.

Section 3.9. Special Meetings.

Special meetings of the Members may be called at any time by order of the President or of any Vice President or of the Secretary, or five percent (5%) or more of the Members or two (2) or more members of the Board of Directors, for any lawful purpose.

Section 3.10. Notice of Special Meetings.

A special meeting called by any person(s) entitled to call a meeting of the Members under Section 3.9 of these bylaws shall be called by written request, specifying the general nature of the business proposed to be transacted, and addressed to the attention of and submitted to the President, any Vice President or the Secretary of the corporation. The Officer receiving the request shall cause notice to be given promptly to the Members entitled to vote pursuant to these bylaws, stating that a meeting will be held at a specified time and date fixed by the Board.

However, the meeting date shall be at least 35 but no more than 90 days after receipt of the request. If the notice is not given by the Officer within 20 days after the request is received, the person(s) requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the time at which a meeting of Members may be held when the meeting is called by the Board.

Section 3.11. Adjournments.

Any business that might be done at a regular or special meeting of the Members may be done at an adjourned meeting. Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the Members represented at the meeting, either in person or by proxy. So long as the meeting is not adjourned for more than 45 days, and the time and place, and the electronic means by which Members may participate, if applicable, are announced at the meeting that was adjourned, no written notice need be given of the adjourned meeting. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting.

Section 3.12. Quorum.

At all meetings of the Members, whether regular, special or adjourned, the presence in person or by proxy of one third of the Members shall constitute a quorum for the transaction of business. Except as otherwise required by law, the articles of incorporation, or these bylaws, the Members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough Members have withdrawn 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 a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the Members unless the vote of a greater number is required by the California Nonprofit Mutual Benefit Corporation Law, these bylaws or the articles of incorporation.

Section 3.13. Waiver and Consent.

The transaction of any meeting of Members, however called or noticed and wherever held, shall be as valid as though conducted at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy, and if either before or after the meeting, each of the Members, 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 of the meeting. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of the meeting except that, if action is taken or proposed to be taken for approval of any matter for which notice of the general nature of the proposal is required, as specified in Section 3.7 of these bylaws, the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

A Member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting unless the Member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

Any action that may be taken at a meeting of the Members may be taken without a meeting if authorized by a writing signed by all the Members who would be entitled to vote at a meeting for that purpose, and filed with the Secretary of the corporation.

Section 3.14. Action Without Meeting/Ballots.

Any action required or permitted to be taken at any regular or special meeting of Members may be taken without a meeting if (i) the written ballot of every Member who would be entitled to vote at a meeting is solicited; (ii) the required number of signed approvals in writing, setting forth the actions so taken is received; (iii) the signed approvals are filed with the Secretary; and (iv) the requirements of subdivisions (b) and (c) of this Section are satisfied.

All solicitations of ballots shall indicate (i) the number of responses needed to meet the quorum requirement; (ii) the percentage of approvals necessary to pass the measure or measures; and (iii) the time by which the ballot must be returned to be counted. Each ballot so distributed shall (i) set forth the proposed action; (ii) give the Members an opportunity to specify approval or disapproval of each proposal; and (iii) provide a reasonable time in which to return the ballot to the corporation.

Approval by written ballot pursuant to this section shall be valid only when the number of ballots cast on or before the time the ballot must be returned to be counted 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 the action at a meeting at which the total number of votes cast was the same as the number of ballots cast.

Section 3.15. Absentee Ballots.

Absentee ballots specifically setting forth the resolution to be voted on may be prepared for any regular or special meeting of Members. These ballots may be used by Members in good standing who are unable to attend, who request the same.

Section 3.16. Voting Rights.

Only persons whose names stand on the membership records of the corporation on the day of any meeting of Members shall be entitled to vote at the meeting. Every Member entitled to vote at any election for Directors shall be entitled to one (1) vote.

Section 3.17. Proxies.

Every Member entitled to vote or execute consents may do so either in person or by one or more agents authorized by a written proxy executed by the Member or his or her duly authorized agent and filed with the Secretary of the corporation.

No proxy shall be valid after the expiration of 11 months from the date of the proxy, unless provided otherwise in the proxy, except that the maximum term of a proxy shall be three (3) years after the date of execution. The revocability of a proxy that states on its face that it is irrevocable shall be governed by Corporations Code section 7613. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect until either

It is revoked by the member executing it before the vote is cast under that proxy, (a) by a writing delivered to the corporation stating that the proxy is revoked, (b) by a

subsequent proxy executed by that member and presented to the meeting, or (c) as to any meeting, by the Member's personal attendance and voting at the meeting, or Written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote under the proxy is counted.

Any revocable proxy covering matters for which a vote of the members is required shall not be valid unless the proxy sets forth the general nature of the matter to be voted on.

ARTICLE 4 DIRECTORS

Section 4.1. Powers.

Subject to the limitations of the articles of incorporation and these bylaws regarding actions that require approval of the Members, and subject to the provisions and pertinent restrictions of the Corporations Code of the State of California and any other applicable laws, all of the activities and affairs of the corporation shall be managed, and all corporate powers shall be exercised by or under the direction of the Board of Directors. Without prejudice to these general powers, 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:

To appoint and remove, at the pleasure of the Board, all the Officers, agents, and employees of the corporation; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix the terms of their offices and their compensation; and in the Board's discretion, require from these Officers, agents, and employees security for faithful service.

To make disbursements from the funds and properties of the corporation as are required to fulfill the purposes of this corporation as are more fully set out in the corporation's articles of incorporation, and generally to conduct, manage, and control the activities and affairs of the corporation, and to make rules and regulations not inconsistent with law, the articles of incorporation, or these bylaws, as they may deem best.

To adopt, make and use a corporate seal and to alter the form of the seal from time to time as they may deem best.

To borrow money and incur indebtedness on the corporation's behalf for the purposes of the corporation and to cause to be executed and delivered therefore, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefore.

Section 4.2. Number of Directors.

The authorized number of Directors of the corporation shall be not less than five (5) and not more than 11, with the exact number to be determined from time to time by resolution of the Directors until changed by an amendment to these bylaws. The number may be changed from time to time by the vote or written assent of a majority of the Directors then in office.

Section 4.3. Selection and Tenure of Office.

Each Director shall hold office for a period of three (3) years and until a successor has been elected and qualified. There shall be no limit on the number of terms for which a Director may hold office. If an annual meeting is not held or the Directors are not elected at an annual meeting, the Directors may be elected at any special meeting of Members held for that purpose. The President of the Board shall appoint a committee

to nominate qualified candidates for election to the Board of Directors at least ninety (90) days before the date of the regular annual meeting of Members at which Directors are to be elected. The nominating committee shall make a report to the Board at least thirty (30) days before the date of the election, or at such other time as the Board may set, and the Secretary shall forward to each Member, with the notice of meeting required by these bylaws, a list of all candidates nominated by the committee.

Section 4.4. Qualifications.

The qualifications for Directors are that each Director must (i) be a Producing or Non Producing Member of the corporation; (ii) provide truthful answers in response to any questions or applications provided to him or her by the Board of Directors for the purposes of evaluating his or her qualifications and/or experience; (iii) attend all Board of Directors meetings and refrain from missing three (3) or more consecutive regular Board meetings or a total of five (5) Board meetings in a calendar year without cause and without having requested and received approval for a limited leave of absence by the by the Directors at a regular or special Board meeting (and if such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is present); (iv) disclose all conflicts of interest as required by Corporations Code Section 7233; and (v) avoid engaging in activities that are directly contrary to the interests of the corporation or that are in contravention of the Standards of Conduct described in Corporations Code Section 7230 et seq.

Section 4.5. Vacancies.

Any Director may resign effective on giving written notice to the Chair of the Board, the President, or the Secretary of the Board, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is to take effect at some future time, a successor may be selected before that time, to take office when the resignation becomes effective. Vacancies in the Board shall be filled in the same manner as the Director or Directors whose office is vacant was selected, provided that vacancies to be filled by election by Directors may be filled by a majority of the remaining Directors, although less than a quorum, or by a sole remaining Director. Each Director so elected shall hold office until the expiration of the term of the replaced Director and until a successor has been named and qualified. A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation or removal of any Director, or if the authorized number of Directors is increased. The Board may declare vacant the office of a Director who has been (i) declared of unsound mind by a final order of court, (ii) convicted of a felony, or (iii) in the case of a corporation holding assets in charitable trust, has been found by a final order or judgment of any court to have breached any duty arising under the law governing assets in charitable trust. The Board may, by a majority vote of the Directors who meet all of the required qualifications to be a Director, declare vacant the office of any Director who fails or ceases to meet any of the qualifications set forth in Section 4.4 of these bylaws that were in effect at the beginning of that Director's current term of office. 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.

Section 4.6. Removal of Directors.

The Members may remove any Director without cause pursuant to Corporations Code Section 7222(a). The Board may declare vacant the office of the Director pursuant to Corporations Code Section 7221 (including but not limited to missing or failing to

attend the specified number of Board meetings) or in the event the Director fails to meet any other stated qualification that was in effect at the time the Director's current term began.

Section 4.7. Place of Meetings.

Notwithstanding anything to the contrary provided in these bylaws, any meeting (whether regular, special, or adjourned) of the Board of Directors of the corporation may be held at any place within or without California that previously has been designated for that purpose by resolution of the Board of Directors or by the written consent of all of the members of the Board.

Section 4.8. Regular Meetings.

Regular meetings of the Board shall be held without call or notice the first Thursday of the month at such time and place as the Board may fix from time to time, unless scheduled differently to accommodate Directors' schedules.

Section 4.9. Annual Meeting, Special Meetings.

Immediately after each regular annual meeting of the Members, Board shall hold a general meeting for purposes of organization, election of officers, and transaction of other business. Notice of this meeting is not required. Special meetings of the Board of Directors may be called at any time by order of the President, or of any Vice President, or of the Secretary, or of two or more of the Directors.

Section 4.10. Notices of Special Meetings.

Special meetings of the Board shall be held on four (4) days' notice by first class mail or a 48 hour notice given personally or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means. The notice shall be addressed or delivered to each Director or at the Director's address as it is shown on the records of the corporation, or as may have been given to the corporation by the Director for purposes of notice or, if the address is not shown on the records, or is not readily ascertainable, at the place at which the meetings of the Directors are regularly held. Any notice given by facsimile, electronic mail, or other electronic means must comply with the provisions of Section 3.7.1 above ("Email, Facsimile, or Other Electronic Transmission of Notice of Meeting.") The notice shall state the time of the meeting and the place. The notice need not specify the purpose of the meeting.

Section 4.11. Quorum.

Except as otherwise provided herein, a majority of the authorized number of Directors shall constitute a quorum except when a vacancy or vacancies prevents a majority, whereupon a majority of the Directors in office shall constitute a quorum; provided that a majority shall constitute either one third (1/3) of the authorized number of Directors or at least three (3) Directors, whichever is larger, or unless the authorized number of Directors is only one (1). A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Except as the articles of incorporation, these bylaws, and the

California Nonprofit Mutual Benefit Corporation Law may provide, an 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 an act of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting. In the event any Director is given a limited leave of absence by a majority of the other Directors at a regular or special meeting, the number of Board members will be reduced by one (1) for purposes of determining whether a quorum is present.

Section 4.12. Participation in Meetings by Conference Telephone.

Members of the Board may participate in a meeting through use of conference telephone, electronic video screen communications, or other communications equipment, so long as (i) all Members participating in the meeting can communicate with all of the other Members concurrently; (ii) each Member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection, to a specific action to be taken; and (iii) the corporation adopts and implements some means of verifying that the person communicating by telephone, electronic video screen, or other communications equipment is a Director entitled to participate in the Board meeting and that all statements, questions, actions, or votes were made by that Director and not by another person not permitted to participate as a Director.

Section 4.13. Waiver of Notice.

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

Section 4.14. 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 24 hours, notice of any adjourn 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.

Section 4.15. 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 the action and if, subject to Corporations Code section 7224(a), the number of Directors then in office constitutes a quorum. The consent or consents shall have the same force and effect as a unanimous vote of the Board and shall be filed with the minutes of proceedings of the Board.

Section 4.16. Official Board Committees.

Committees of the Board may only consist of Directors then in office, and shall be

appointed by resolution passed by a majority of the Directors then in office. One (1) Board member will act as each Committee liaison and each Committee shall be composed of two (2) or more Directors, to serve at the pleasure of the Board. Any such Committee shall have the authority of the Board only to the extent such authority is expressly delegated to it by resolution of the Board of Directors, except that no Committee may do the following:

Take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, also requires the approval of the Members or a majority of all Members;

Fill vacancies on the Board or on any Committee;

Fix compensation of the Directors for serving on the Board or on any Committee;

Amend or repeal bylaws or adopt new bylaws;

Amend or repeal any resolution of the Board which by its express terms is not so amendable or repeatable;

Create other Committees of the Board or appoint the members of Committees;

Expend corporate funds to support a nominee for Director if more people have been nominated for Director than can be elected; or

Approve any contract or other transaction in which one (1) or more Directors has a material financial interest, as such transactions are defined in Corporations Code section 7233(a).

Any Committee may be designated as an Executive Committee or by another name as the Board shall specify. The Executive Committee, unless limited by a resolution of the Board, and subject to the restrictions of this Section above that are applicable to all Board Committees, shall have and may exercise all the authority of the Board in the management of the business and affairs of the corporation between meetings of the Board. The Board shall have the power to prescribe the manner in which proceedings of any Committee shall be conducted, so long as it is consistent with these bylaws. In the absence of any prescription, the Committee shall have the power to prescribe the manner in which its proceedings shall be conducted, so long as it is consistent with these bylaws. Unless the Board or the Committee shall otherwise provide, the regular and special meetings and other actions of any Committee shall be governed by the provisions of these bylaws applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each Committee.

Section 4.17. Fees and Compensation.

Directors (as such) shall not receive compensation for their services as Directors. Directors may receive reimbursement for expenses as may be fixed or determined by the Board to be just and reasonable as to the corporation at the time the resolution approving such reimbursement is adopted.

ARTICLE 5 OFFICERS

Section 5.1. Officers.

The Officers of the corporation shall be a President, who also shall be the Chair of the Board, a Secretary and a Treasurer. The corporation may also have, at the discretion of the Board of Directors, one or more Vice Presidents, one or more Assistant Secretaries, and other Officers as may be appointed in accordance with the provisions of Section 5.3 of these bylaws. One person may hold two or more offices, except that neither the Secretary nor the Treasurer may serve concurrently as the President.

Section 5.2. Election.

The Officers of the corporation, except those Officers as may be appointed in accordance with the provisions of Section 5.3 or Section 5.5 of these bylaws, shall be chosen annually by, and shall serve at the pleasure of the Board of Directors, subject to the rights, if any, of any Officer under any contract of employment. Each Officer shall hold his or her office until he or she resigns or is removed pursuant to Section 5.4 of these bylaws, or becomes otherwise disqualified to serve, or until his or her successor is elected and qualified.

Section 5.3. Subordinate Officers.

The Board of Directors may appoint, and may empower the President to appoint, other Officers as the business of the corporation may require, each of whom shall hold office for the period, have authority, and perform duties as are provided in the bylaws or as the Board of Directors may from time to time determine.

Section 5.4. Removal and Resignation.

Any Officer may be removed, either with or without cause, by a majority of the Directors at the time in office, at any regular or special meeting of the Board; except in the case of an Officer not chosen by the Board of Directors, who may be removed by any other Officer on whom the power of removal may be conferred by the Board of Directors. Any Officer may resign at any time, without prejudice to the rights, if any, of the corporation under any contract to which the Officer is a party, by giving written notice to the Board of Directors, to the President, or to the Secretary of the corporation. The resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 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 normal appointments to that office, provided that the vacancies shall be filled as they occur and not on an annual basis.

Section 5.6. Inability to Act.

In the case of absence or inability to act of any Officer of the corporation and of any person herein authorized to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of the Officer to any other Officer, or any Director or other person whom the Board may select.

Section 5.7. Reserved.

Section 5.8. President.

The President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the activities, affairs and Officers of the corporation. The President shall preside at all meetings of the Board of Directors and all meetings of the Members. The President shall be ex-officio a member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of a President of a corporation, and shall have other powers and duties as may be prescribed by the Board of Directors or these bylaws

Section 5.9. Vice President.

In the absence or disability of the President, the Vice Presidents, in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, 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 on, the President. The Vice Presidents shall have other powers and perform other duties as from time to time may be prescribed for them respectively by the Board of Directors or these bylaws.

Section 5.10. Secretary.

The Secretary shall keep, or cause to be kept, at the corporation's principal office or other place as the Board of Directors may order, a book of minutes of all meetings, proceedings and actions of the Members, the Board and its Committees. The minutes of meetings shall include the time and place of the holding of the meeting; whether regular or special, and if special, how authorized; the notice of the meeting given; the names of those present at the meeting, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the corporation's principal California office, or if the corporation has no office in this state, such other place as the Board may order, the original and a copy of the corporation's current articles of incorporation and bylaws, as amended to date. The Secretary shall give, or cause to be given, notice of all meetings of Members, of the Board and of any Committees of the Board that is required to be given by these bylaws or by law; shall keep the seal of the corporation, if there be one, in safe custody; and shall have other powers and perform other duties as prescribed by the Board. The Secretary shall keep or cause to be kept, at the principal office of the corporation or other place as the Board may order, a membership register, or a duplicate membership register, showing the names of the Members and their addresses.

Section 5.11. Treasurer.

The Treasurer shall be the Chief Financial Officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the properties and business transactions of the corporation. The Treasurer shall send or cause to be given to the Members and/or Directors such financial statements and reports as are required to be given by law, by these bylaws, or by the Board. The books of account shall at all reasonable times be open to inspection by any Director. The Treasurer shall (i) deposit all monies and other valuables in the name and to the credit of the corporation with depositories as may be designated by the Board of Directors; (ii) disburse the funds of the corporation as may be ordered by the Board of Directors; (iii) render to the President and the Board of Directors, when requested, an account of all of his or her transactions and of the financial condition of the corporation; and (iv) shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these bylaws.

Section 5.12. Assistant Treasurer.

At the request of the Treasurer, or in his or her absence or disability, the Assistant Treasurer shall perform all the duties of the Treasurer, and when so acting, shall have all the powers of, and be subject to all the restrictions on, the Treasurer.

Section 5.13. Salaries.

The salaries of the Officers shall be fixed from time to time by the Board of Directors

and no Officer shall be prevented from receiving the salary by reason of the fact that the Officer is also a Director of the corporation.

ARTICLE 6 OTHER PROVISIONS

Section 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 this corporation and any other person, when signed by any one of the President, or any Vice President, and any one of the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of this corporation, shall be valid and binding on this 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. The Board of Directors, except as otherwise provided in the bylaws, may authorize any Officer or Officers, agent or agents, not to enter into any contract or execute any instrument in the name of and on behalf of the corporation. This authority may be general or confined to specific instances. Unless so authorized by the Board of Directors, and except as provided in this Section, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or agreement, or to pledge its credit, or to render it liable for any purpose or to any amount.

Section 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 any Officer in person or by any other person authorized to do so in proxy or power of attorney duly executed by the Officer.

Section 6.3. Construction and Definitions.

Unless the context otherwise requires otherwise, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

Section 6.4. Amendments.

These bylaws may be amended, adopted or repealed and new or additional bylaws may be adopted at any time by approval of a majority of the Members or by the written consent of a majority of the Members. These Bylaws may also be amended, adopted or repealed by the Board; provided that approval of a majority of the Members or by the written consent of a majority of the Members is required for any amendment that would (i) materially and adversely affect the members' rights as to voting, dissolution, redemption, or transfer; (ii) increase or decrease the number of Members authorized in total; (iii) effect an exchange, reclassification, or cancellation of all or part of the membership; (iv) authorize a new class of membership; (v) fix or change the minimum or maximum number of Directors or term length for Directors; or (vi) provide for selection of Directors by designation. Any provision of these bylaws

that requires the vote of a larger proportion of the Members or Directors than otherwise is required by law may not be altered, amended, or repealed except by vote of that greater number of Members or Directors, as applicable. No amendment may extend a Director's term beyond that for which the Director was elected.

Section 6.5. Record of Amendments.

Whenever an amendment or new bylaw is adopted, it shall be copied in the book of minutes with the original bylaws, in the appropriate place. If any bylaw is repealed, the fact of repeal with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in the book. Pursuant to Section 5.10 of these bylaws, the Secretary shall ensure that a current copy of these bylaws, as amended, be kept at the corporation's principal California office, or be made available upon written request of any Member, as required by Corporations Code section 7160.

ARTICLE 7
INDEMNIFICATION OF AGENTS OF THE CORPORATION

Section 7.1. Definitions.

For purposes of this Article, "Agent" means any person who is or was a Director, Officer, employee, or other agent of this corporation, or is or was serving at the request of this 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 that was a predecessor corporation of this corporation or of another enterprise at the request of the predecessor corporation. "Proceeding" as used in this Article means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative. "Expenses" as used in this Article includes, without limitation, attorney's fees and any expenses of establishing a right to indemnification, consistent with Corporations Code section 7237.

Section 7.2. Indemnification.

The corporation shall have the power to indemnify any person who was or is a party, or who is threatened to be made a party, to any Proceeding (except those specifically excluded pursuant to Corporations Code section 7237(b)) by reason of the fact that such person was or is an Agent of the corporation against Expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by such person in connection with such Proceeding, if such person acted in good faith and in a manner that such person reasonably believed to be in the best interests of the corporation, and, in the case of a criminal Proceeding, such person had no reasonable cause to believe that the person's conduct 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 that such 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.

To the extent that an Agent of the corporation has been successful on the merits in defense of any Proceeding, or in defense of any claim, issue, or matter in any such Proceeding, the Agent shall be indemnified against Expenses actually and reasonably incurred in connection with the Proceeding. In all other cases, indemnification shall be provided by the corporation only if authorized in the specific case, after written

request to the Board by the person seeking indemnification, by a majority of the Board of Directors of the corporation. Expenses of each person indemnified under this Section actually and reasonably incurred in connection with the defense or settlement of a Proceeding may be paid by the corporation in advance of the final disposition of such Proceeding, upon approval by the Board after receipt by the corporation of an undertaking by or on behalf of such person to repay such advance unless it shall ultimately be determined that such person is entitled to be indemnified by the corporation pursuant to this Section. If the Board cannot authorize indemnification and/or advancement of expenses, because the number of Directors who are parties to the Proceeding with respect to which indemnification and/or advancement of expenses is sought prevents the formation of a quorum of Directors who are not parties to that Proceeding, the Board shall promptly call a meeting of the Members. Such Members shall determine under Corporations Code section 7237 whether the applicable standard of conduct has been met and, if so, the Members present at the meeting in person or by proxy shall authorize indemnification and/or advancement of expenses.

Section 7.3. Insurance.

The corporation shall have the power to purchase and maintain insurance on behalf of any Agent of the corporation to cover any liability asserted against or incurred by the Agent in such capacity or arising out of the Agent's status as an Agent, whether or not the corporation would have the power to indemnify the Agent against the liability under the provisions of this Article; provided, however, that this corporation shall have no power to purchase and maintain insurance to indemnify any Agent of the corporation for a violation of Corporations Code section 5233, made applicable by Corporations Code section 7238.

Section 7.4. Other Indemnification.

No provision made by the corporation to indemnify its Directors or Officers for the defense of any proceeding, whether contained in the articles of incorporation, these bylaws, a resolution of the Directors, an agreement or otherwise, shall be valid unless consistent with this Article.

Nothing contained in this Article shall affect any right to indemnification to which persons other than the Directors and Officers may be entitled by contract or otherwise.

ARTICLE 8 RECEIPT, INVESTMENT, AND DISBURSEMENT OF FUNDS

Section 8.1. Receipt of Funds.

The corporation shall receive all monies, other properties, or both, transferred to it for the purpose for which the corporation was formed (as shown by the articles of incorporation). However, nothing contained herein shall require the Board of Directors to accept or receive any money or property of any kind if it shall determine in its discretion that receipt of the money or property is contrary to the expressed purposes of the corporation as shown by these Articles.

Section 8.2. Management Consistent with Purposes of Corporation.

The corporation shall hold, manage, and disburse any funds or properties received by it from any source in a manner that is consistent with the expressed purposes of this corporation.

Section 8.3. Approval of Disbursements.

No disbursement of corporation money or property shall be made until it is first approved by the President, the Treasurer, or the Board of Directors. However, the Board of Directors shall have the authority to appropriate specific sums to fulfill the objects and purposes for which the corporation was formed and to direct the Officers of the corporation from time to time to make disbursements to implement the appropriations.

Section 8.4. Checks Signed by Officers.

All checks, drafts, demands for money and notes of the corporation, and all written contracts of the corporation shall be signed by the Officer or Officers, agent or agents, as the Board of Directors may from time to time by resolution designate.

ARTICLE 9 CORPORATE RECORDS AND REPORTS

Section 9.1. Records.

The corporation shall maintain (i) adequate and correct books and records of account; (ii) minutes of the proceedings of its Members, Board and Committees of the Board; and (iii) a membership register containing each Member's name and address, kept in alphabetical order by Member name. The minutes, membership register and all other books and records shall be kept either in written form or in any other form capable of being converted into clearly legible tangible form, or in any combination of the two. The minutes, membership register and all other books and records shall be kept at the corporation's principal office in California, or in another location as is fixed by the Board of Directors from time to time.

Section 9.2. Inspection of Books and Records.

The membership register or duplicate register, the books and records of account, and the minutes of the proceedings of the Members, the Board, and of the Committees of the Directors of this corporation, shall be open to inspection, copying and/or extraction on the written demand of any Member at any reasonable time, for a specifically stated purpose reasonably related to his or her interests as a Member, and shall be exhibited at any time when required by the demand of any Members' meeting. The Board of Directors may, within 10 business days after receiving a demand under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership register, books and records of account or minutes, as applicable. Any rejection of this offer must be in writing and must state the reasons the proposed alternative does not meet the proper purpose of the demand. If the Board reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a Member, or if it provides a reasonable alternative under this Section, it may deny the Member access to such records. Any inspection, copying and/or extraction under this Section may be made in person or by the Member's agent or attorney.

Every Director shall have the absolute right at any reasonable time to inspect all books, records, documents of every kind, and to inspect the physical properties of the corporation and its subsidiary organizations, if any. The inspection may be made in person or by the Director's agent or attorney.

Section 9.3. Maintenance and Inspection of Articles of Incorporation and Bylaws.
The original or a copy of the articles of incorporation and these bylaws, as amended or otherwise altered to date, shall be kept at the corporation's principal California office and be open to inspection by the Members and Directors of the corporation at all reasonable times during office hours. If the corporation has no business office in California, the Secretary shall, upon the written request of any Member or Director, furnish to that Member or Director, as applicable, a copy of the articles of incorporation and bylaws as amended to date.

Section 9.4. Annual Report.

This Section shall not apply if the corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year:

The Board of Directors shall cause an annual report to be prepared within 120 days after the end of the corporation's fiscal year. That report shall contain the following information in appropriate detail:

A balance sheet as of the end of the fiscal year, an income statement, and a statement of cash flows for the fiscal year, accompanied by an independent accountant's report or, if none, by the certificate of an authorized officer of the corporation that they were prepared without an audit from the corporation's books and records;

A statement of the place where the names and addresses of current members are located;

and

Any other information required by these bylaws.

This corporation shall annually notify each member of the member's right to receive a copy of the financial report under this Section. Except in circumstances where the corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year (exempting it from the requirement to prepare and provide an annual report), the Board shall promptly cause the most recent annual report to be sent to the requesting member. If the Board approves, the corporation may send the report and any accompanying material sent pursuant to this Section by electronic transmission.

ARTICLE 10 DISSOLUTION

On dissolution of this corporation, the Board of Directors shall cause the corporation's assets, exclusive of those assets held in charitable trust, to be distributed to the Members pro rata, after payment or provision for payment of the obligations and debts of the corporation and provision for any other payment required under applicable law. All assets held in charitable trust shall be distributed only in accordance with the approval of the California Attorney General or decree of the Superior Court in an action to which the Attorney General is a party, or as otherwise required by law.