

ARTICLE 1 NAME AND OFFICES

SECTION 1. NAME AND PRINCIPAL OFFICE IV

The name of this corporation is Valley of the Moon Alliance (hereinafter the "Alliance"). The principal place of business for the transactions of business of the Alliance shall be such address in the County of Sonoma, State of California, as may from time to time be designated by the Board of Directors of the Alliance. The county of the Alliance's principal office may be changed by amendment to these By-Laws in accordance with provisions of these By-Laws relating to amendments.

ARTICLE 2 PURPOSES

SECTION 1. OBJECTIVES AND PURPOSES

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable purposes.

The specific purposes for which corporation is organized are:

(a) To engage exclusively in the charitable activities within the meaning of Section 501(c) (3) of the Internal Revenue Code of 1986, as amended:

- (1) By protecting, preserving and restoring environmental quality in the Valley of the Moon, Sonoma County, California and protecting the natural environment and public safety of the Valley of the Moon, Sonoma County, California for the benefit of the general public, including residents of the Valley of the Moon, Sonoma County, California;
- (2) By instituting litigation as a party plaintiff to enforce California and federal environmental legislation to protect, preserve and restore the environmental quality in the Valley of the Moon, Sonoma County, California;
- (3) By instituting litigation and pursuing other remedies, both legal and equitable, under federal laws and the laws of the State of California to protect, preserve and restore the environmental quality in the Valley of the Moon, Sonoma, California; and
- (4) By conducting research legal or otherwise concerning various means of adjusting and resolving environmental disputes relative to environmental issues in the Valley of the Moon, Sonoma County, California and arranging for, and participating in, the resolution of such disputes through mediation and other types of dispute resolutions.

(b) By doing those acts permitted by the Non Profit Public Benefit Corporate Law of the State of California.

ARTICLE 3 DIRECTORS

SECTION 1. NAMES AND NUMBER

Board members shall collectively be known as the Board of Directors and individually as a Director. The number of Directors shall consist of no more than 7 persons or less than 5, and shall be elected for a period of 3 years, provided that the terms of office of one-third of the Board members shall expire each year. The Board of Directors shall fix, within the limits specified, the exact number of members of the Board.

Board members shall take office immediately after the Annual Meeting of the Board of Directors. At each Annual Meeting following the initial classification and election, directors elected to succeed those directors whose terms expire shall be elected to a term of office to expire at the third succeeding annual meeting after their election.

Names of candidates proposed for membership on the Board of Directors shall be presented by the Nominating Committee for election at the Annual Meeting of Directors of the Alliance, or as otherwise determined by the Board of Directors.

No Director shall serve more than six (6) consecutive years in office. (Delete)

Each person who holds a Director's seat shall have the following qualifications: Reside in the County of Sonoma.

SECTION 2. POWERS

Subject to any limitations set forth in the Articles of Incorporation, other sections of these Bylaws or provisions of California law, all corporate powers of the Alliance shall be controlled by the Board of Directors. Without limiting the generality of the foregoing, the Board of Directors shall have the following powers:

- (a) To select and remove all of the officers, agents and employees of the Alliance, prescribe such powers and duties for them, and fix their compensation.
- (b) To conduct, manage and control the affairs and business of the Alliance, and to make rules and regulations not inconsistent with the Articles of Incorporation, these Bylaws or applicable law.

SECTION 3. DUTIES

It shall be the duty of the directors to:

- (a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this Alliance, or by these Bylaws;
- (b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the Alliance;
- (c) Supervise all officers, agents and employees of the Alliance to assure that their duties are performed properly;
- (d) Meet at such times and places as required by these Bylaws;
- (e) Register their addresses with the Secretary of the Alliance and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

SECTION 4. TERMS OF OFFICE

Directors shall be elected for a period of 8 years, provided that the terms of office of one-third of the Board members shall expire each year, and the initial terms of office shall reflect this rotation with the term of the initial 1/3 of Directors expiring on the Annual Meeting of Board of Directors at the Annual Meeting in year 2002. Each director shall hold office until the next annual meeting for election of the Board of Directors as specified in these Bylaws, and until his or her successor is elected and qualifies.

SECTION 5. COMPENSATION

Directors shall serve without compensation. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 3 of this Article. The Alliance shall provide full reimbursement for reasonable expenditures made on behalf of the Alliance by its Directors. However, no Director may be reimbursed for expenditures made in excess of \$50 unless he or she has obtained approval of the Board in advance. Expenses under \$50 are subject to specific guidelines, approved by the Board.

SECTION 6. PLACE OF MEETINGS

Meetings shall be held at the principal office of the Alliance or at such place within the State of California which has been designated from time to time by resolution of the Board of Directors amending these Bylaws. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, as long as all directors participating in such meeting can hear one another.

SECTION 7. REGULAR AND ANNUAL MEETINGS '

Regular meetings of the Executive and Steering Committees shall be held monthly on the third Wednesday at 7 PM, unless such day falls on a legal holiday, in which event the regular meeting shall be held at the same hour and place on the next business day.

An Annual Meeting of the board of Directors shall be held in the first quarter of the fiscal year, at such date, time and place as the President of the Directors shall determine for the purpose of election of directors and officers and the transaction of such other business as may come before the meeting.

Issues that can not wait for a regular meeting shall be addressed in e-mail correspondence among members of the Executive Board.

SECTION 8. SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the Chairperson of the Board, the President or by any three (3) directors, and such meetings shall be held at the principal office of the Alliance.

SECTION 9. NOTICE OF MEETINGS

(a) Annual Meetings.

Notice of the Annual Meeting shall be given by the Directors not more than thirty (30) days nor less than ten (10) days before the meeting. The Annual Meeting shall be posted within the above time period on the public notice bulletin board at the Kenwood Shopping Center, Kenwood, California or such other place where members of the public likely to see such notice.

(b) Regular Meetings.

Regular meetings of the Board may be held without notice on their designated date or adjourned date, if any.

(c) Special Meetings.

Special meetings of the Board shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice delivered personally or by telephone or telegraph. If sent by mail or telegraph, the notice shall be deemed to be delivered on its deposit in the mails or on its delivery to the telegraph company. Such notices shall be addressed to each director at his or her address as shown on the books of the Alliance. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than twenty-four (24) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to directors absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

SECTION 10. CONTENTS OF NOTICE

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

SECTION 11. WAIVER OF NOTICE AND CONSENT TO HOLDING MEETINGS

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

SECTION 12. QUORUM FOR MEETINGS

A quorum for any meeting of the Board of Directors shall be a majority of the members then in office. A majority of the directors then present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Except as otherwise provided in these Bylaws or in the Articles of Incorporation of the Alliance, or by law, no business shall be considered by the Board at any meeting at which a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting

is a motion to adjourn. However, a majority of the directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board. When a meeting is adjourned for lack of a quorum, 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 at such meeting, other than by announcement at the meeting at which the adjournment is taken, except as provided in Section 9 of this Article. The directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of the Alliance.

SECTION 13. MAJORITY ACTION AS BOARD ACTION

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation or Bylaws of the Alliance, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 9212), approval of contracts or transactions in which a director has a material financial interest (Section 9243) and indemnification of directors (Section 9246e), require a greater percentage or different voting rules for approval of a matter by the Board. No voting by proxy shall be permitted.

SECTION 14. CONDUCT OF MEETINGS

Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, or, if no such person has been so designated or, in his or her absence, the President of the Alliance or, in his or her absence, by the Vice President of the Alliance (without a committee designation) or, in the absence of each of these persons, by a Chairperson chosen by a majority of the directors present at the meeting. The Secretary of the Alliance shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting. Meetings shall utilize effective meeting procedures but be informal to encourage participation of all members of the Board. The presiding officer may in his or her discretion utilize Robert's Rules of Order in the event of any dispute.

SECTION 15. ACTION BY UNANIMOUS WRITTEN CONSENT WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of the directors. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the Bylaws of this Alliance authorize the directors to so act, and such statement shall be prima facie evidence of such authority.

SECTION 16. VACANCIES

Vacancies on the Board of Directors shall exist

- (1) on the death, resignation or removal of any director, and
- (2) whenever the number of authorized directors is increased.

The Board of Directors may declare vacant the office of a director who has been declared of unsound mind by a final order of court, or convicted of a felony, or has been removed from office by order of the Superior Court for engaging in fraudulent acts pursuant to Section 9233 of the California Nonprofit Public Benefit Alliance Law. Any director may resign effective upon giving written notice to the Chairperson of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the Alliance would then be left without a duly elected director or directors in charge of its affairs. Except for a vacancy created by the removal of a director by the members, if any, of this Alliance, vacancies on the Board may be filled by approval of the Board or, if the number of directors then in office is less than a quorum, by

- (1) the unanimous written consent of the directors then in office,
- (2) the affirmative vote of a majority of the directors then in office at a meeting held pursuant to notice or waiver of notice complying with this Article of these Bylaws, or

(3) a sole remaining director.

If a vacancy occurs, a majority of the Directors then in office, within a reasonable time thereafter, shall fill the vacancy. Such election shall be held as provided in these bylaws. A Director so elected shall serve for the unexpired term of his or her predecessor.

SECTION 17. COMMITTEES

(a) The standing committees of the Alliance shall be:

1. Executive
2. Nominating
3. Fiscal
4. Communications
5. Membership and Public Relations
6. Political
7. Legal
8. Steering
9. Research
10. Events and Volunteer

Each chairperson shall be a member of the Executive Committee. The Board of Directors may eliminate or combine one or more such committees.

(b) In addition, the Board may create such special committees as are required to forward the work of the organization. All committees shall function according to the policies and procedures approved by the Board of Directors, and are subject to the control and direction of the Board of Directors.

(c) Duties and Responsibilities of Committees:

1. The Executive Committee will consist of the President, all Vice-Presidents, Treasurer, the Secretary of the Alliance, the Board of Directors. Its purpose is to address the direction and affairs of the Alliance and to formulate policy recommendations. It has the power to act on behalf of the Board of Directors whenever an emergency exists that cannot be acted upon in time by a regular meeting of the Board. It may also consider and act on matters of administration which must be fully reported to the next meeting of the Board for ratification. It shall meet on the call of the President or request of any two members of the Board. Three members shall constitute a quorum.

2. The Nominating Committee will consist of two (2) Directors and one (1) additional member selected by the Board of Directors. The nominating committee shall be selected no sooner than 90 days and no later than 60 days before the Annual Meeting. Members of the Nominating Committee shall be eligible to serve not more than three (3) consecutive years. The goal of the Nominating Committee shall be to recruit potential Board members, officers and committee chairs, to ensure volunteer personnel for the Alliance's future and the continuation of the corporate entity.

It shall be the duty of this Committee to submit to the Board or Directors, at the Annual Board Meeting, a slate of qualified persons for election as Directors, officers, and committee chairs.

They shall also present a slate of qualified persons for election as officers to the Board at its regular meeting after the annual meeting. In addition, it shall nominate persons to fill vacancies on the Board or in any offices, as they shall occur. The Nominating committee shall be a standing committee.

3. The Fiscal Committee shall consist of not less than three members, one of whom shall be the Treasurer. Additional members from the Board of Directors or Membership-at-Large may be appointed. It shall study and review the financial situation of the organization and make necessary reports and recommendations to the Board. It shall study and review the budget and assist the Executive Committee in presenting the budget of the organization when deemed advisable.
4. The Communications Committee shall maintain the Web site for the Alliance and arrange the linking of all appropriate sites to this Web site. The Communications Committee shall also coordinate communications among members of the Executive Committee and between the Alliance and the general public.
5. The Membership and Public Relations Committee shall be responsible for membership maintenance and development, volunteer issues, public relations and consultant interfacing, advertising, marketing strategies, development of public presentations, display materials, community meetings and community awareness.
6. The Political Committee shall act as liaison between the Alliance and all political officers at the County and State level which affects any proposed developments in Valley of the Noon, Sonoma County, California.
7. The Legal Committee shall act on all legal matters that affect the Alliance as well as acting as liaison with outside legal counsel to the Alliance.
8. The steering committee shall consist of the executive committee, the chairperson of each Article 3, Section 17 committee and such additional at-will members as the Executive Committee elects to appoint. Its purpose shall be to perform operational and advisory functions at the direction of, and on behalf of, the Executive Committee, in keeping with the Alliance's Vision and Mission. It shall meet at the call of the President or request of any two directors.
9. The Research Committee shall be responsible for the research and analysis of initiatives, landowner options and rights, permitted and allowable events, zoning rules and regulations, General Plan definitions, environmental, rules and regulations, and such other issues as might be requested by the executive Committee.
10. Events and Volunteers Committee (EVC) shall be responsible for developing and implementing fundraising events for VOTMA, and the creation and coordination of a network of volunteers. In general the EVC works with the Board of Directors and Executive Committee to establish the organization's fundraising goals form events, and creates events to meet or exceed those goals. The EVC, in cooperation with other VOTMA committees, is responsible for production of the events. The EVC also recruits, mobilizes, motivates and manages a network of Volunteers necessary to support the event and other VOTMA activities.

SECTION 18. NON-LIABILITY OF DIRECTORS

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

SECTION 19. INDEMNIFICATION BY ALLIANCE OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

To the extent that a person who is, or was, a director, officer, employee or other agent of the Alliance has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the Alliance, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding. If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by the Alliance but only to the extent allowed by, and in accordance with the requirements of, Section 9246 of the California Nonprofit Public Benefit Corporation Law.

SECTION 20. INSURANCE FOR CORPORATE AGENTS

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Alliance (including a director, officer, employee or other agent of the Alliance) against any liability other than for violating provisions of law relating to self-dealing (Section 9243 of the California Nonprofit Public Benefit Foundation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Alliance would have the power to

indemnify the agent against such liability under the provisions of Section 9246 of the California Nonprofit Public Benefit Corporation Law.

SECTION 21. REMOVAL OF DIRECTORS

A Director may be removed from office with or without cause by a two-thirds (2/3) vote of the total number of Directors then in office.

SECTION 22. NO INTEREST IN ASSETS OF THE ALLIANCE

No Director shall possess any property right in or to the property of the Alliance.

SECTION 23 RESTRICTION REGARDING INTERESTED DIRECTORS

Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the board may be interested persons. For purposes of this Section, "interested persons" means either:

- (a) Any person currently being compensated by the Alliance for services rendered by it within the previous twelve (12) months, whether as a full- or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; or
- (b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

ARTICLE 4 OFFICERS

SECTION 1. NUMBER OF OFFICERS

The officers of the Alliance shall be a President, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The Alliance may also have, as determined by the Board of Directors, a Chairperson of the Board, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers, or other officers. No person may hold more than one office at one time.

SECTION 2. QUALIFICATION, ELECTION, AND TERM OF OFFICE

The Board of Directors shall elect all officers of the Alliance at the Board of Directors meeting next following the Annual Meeting, to serve until the next Annual Meeting. An officer may succeed himself / or herself, however, no officer may serve more than eight\8 consecutive years in any particular office. The Nominating Committee shall nominate qualified persons to fill each office at or prior to the meeting at which an election of officers is to occur. A Director may also nominate any qualified person at the Annual Meeting or at the meeting at which officers are to be elected.

SECTION 3. VACANCY

A vacancy in any office because of death, resignation, removal, isqualification, or otherwise shall be filled by the Board of Directors.

SECTION 4. VACANCIES - TEMPORARY

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy.

SECTION 5. REMOVAL AND RESIGNATION

Any officer of the Alliance may be removed by a vote of two- thirds (2/3) vote of the Board of Directors then in office. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Alliance. Any such

resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the Alliance.

SECTION 6. DUTIES OF PRESIDENT

The President shall be responsible for overseeing the conduct of the affairs of the Alliance in a manner consistent with the Articles of Incorporation, these Bylaws, and the policies and directives of the Board of Directors. Unless another person is specifically appointed Chairperson by the Board of Directors, he or she shall preside at all meetings of the Board and Executive Committee, shall serve as an ex-officio member of all committees of the Alliance except the Nominating Committee and shall have other duties as prescribed by the Board. Unless another person is specifically appointed as Chairperson of the Board of Directors, he or she shall preside at all meetings of the Board of Directors.

SECTION 7. DUTIES OF VICE PRESIDENT

All Vice-Presidents shall be members of the Executive Committee and shall, in the absence of the President, the Vice President without a committee designation, shall preside at meetings of the Board of Directors. In the event that the President is unable to serve, such Vice-President shall act as the principal officer of the Alliance until such time as the Directors elect a new President. Other Vice Presidents shall be appointed relative to various committees as the Board of Directors chooses.

SECTION 8. DUTIES OF SECRETARY

The Secretary shall:

- (a) Certify and keep at the principal office of the Alliance the original or a copy of these Bylaws as amended or otherwise altered to date.
- (b) Keep at the principal office of the Alliance or at such other place as the board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- (c) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.
- (d) Be custodian of the records and of the seal of the Alliance and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the Alliance under its seal is authorized by law or these Bylaws.
- (e) Keep at the principal office of the Alliance a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.
- (f) Exhibit at all reasonable times to any director of the Alliance, or to his or her agent or attorney, on request therefore, Bylaws, the membership book and the minutes of the proceedings of the directors of the Alliance.
- (g) In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this Alliance, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

SECTION 9. DUTIES OF TREASURER

The Treasurer shall receive, safeguard, disburse and account for all funds of the Alliance, and shall deposit and invest them in such banks, other depositories or investments as may be designated by the Board. All checks disbursed by the Treasurer shall be approved by action of the Board of Directors. The Treasurer may issue checks to disburse funds of the Alliance and such check in amounts not exceeding \$1,000 may be signed by the Treasurer alone. In the case of amounts in excess of \$1,000, the check must be signed by the Treasurer and one other officer. The Treasurer shall maintain books and records of the Alliance, and shall prepare and submit such

accounting and tax forms as may be required by local, state and federal law. The Treasurer may have additional powers and duties as prescribed by the, Board. The Treasurer shall exhibit at all reasonable times the books of account and financial records to any director of the Alliance, or to his or her agent or attorney, on request therefor. The Treasurer shall render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the Alliance. The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports. In general, The Treasurer shall perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the Alliance, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

SECTION 10. COMPENSATION

No officer shall be entitled to any salary unless specifically authorized and fixed from time to time by resolution of the Board of Directors, and no officer shall be prevented from receiving such salary by reason of the fact that he or she is also a director of the Alliance, provided, however, that such compensation paid a director for serving as an officer of this Alliance shall only be allowed if permitted under the provisions of Article 3, Section 6 of these Bylaws. In all cases, any salaries received by officers of this Alliance shall be reasonable and given in return for services actually rendered for the Alliance which relate to the performance of the charitable or public purposes of this Alliance. lob The Alliance shall provide full reimbursement for reasonable expenditures made on behalf of the Foundation by its officers.

However, no officer may be reimbursed for expenditures made in excess of \$50 unless he or she has obtained approval of the Board in advance. Expenses under \$50 are subject to specific guidelines, approved by the Board.

ARTICLE 5 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

SECTION 1. EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Alliance to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Alliance, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Alliance by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

SECTION 2. DEPOSITS

All funds of the Alliance shall be deposited from time to time to the credit of the Alliance in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTION 3. GIFTS

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

ARTICLE 6 CORPORATE RECORDS, REPORTS AND SEAL

SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The Alliance shall keep at its principal office in the State of California:

- (a) Minutes of all meetings of directors, committees of the board and, if this Alliance has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- (b) Adequate and correct books and records of account; including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- (c) A copy of the Alliance's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members, if any, of the Alliance at all reasonable times during office hours.

SECTION 2. CORPORATE SEAL

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

SECTION 3. DIRECTORS' INSPECTION RIGHTS

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 Alliance. SECTION 4. RIGHT TO COPY AND MAKE EXTRACTS Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

SECTION 5. ANNUAL REPORT

The board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the Alliance's fiscal year to all directors of the Alliance, which report shall contain the following information in appropriate detail:

- (a) The assets and liabilities, including the trust funds, of the Alliance as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the Alliance both unrestricted and restricted to particular purposes, for the fiscal year;
- (d) The expenses or disbursements of the Alliance, for both general and restricted purposes, during the fiscal year;
- (e) A report which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:
 - (1) Any transaction in which the Alliance was a party, and in which either of the following had a direct or indirect material financial interest:
 - (a) Any director or officer of the Alliance, or its parent or subsidiary (a mere common directorship shall not be considered a material financial interest); or
 - (b) Any holder of more than ten percent (10%) of the voting power of the Alliance, its parent or its subsidiary.

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

Similarly, the statement need only be provided with respect to indemnifications or advances aggregating more than TEN THOUSAND DOLLARS (\$10,000) paid during the previous fiscal year to any director or officer. Any statement required by Section 5 (e) shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the Alliance, the nature of such person's interest in the transaction and, where practical, the amount of such interest, provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated. The annual report shall be accompanied by the certificate of an authorized officer of the Alliance that such statements were prepared without audit from the books and records of the Alliance.

ARTICLE 7 FISCAL YEAR

SECTION 1. FISCAL YEAR OF THE Alliance

The fiscal year of the Alliance shall be the calendar year and shall end on the December 31 in each year.

ARTICLE 8 AMENDMENT OF BYLAWS

SECTION 1. AMENDMENT

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by the vote of the majority of the total number of then authorized Directors.

ARTICLE 9 AMENDMENT OF ARTICLES

SECTION 1. AMENDMENT OF ARTICLES BEFORE ADMISSION OF MEMBERS

Any amendment of the Articles of Incorporation may be amended by the vote of the majority of the total number of then-authorized Directors.

SECTION 2. CERTAIN AMENDMENTS

Notwithstanding the above sections of this Article, this Alliance shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation of the names and addresses of the first directors of this Alliance nor the name and address of its initial agent, except to correct an error in such statement or to delete either statement after the Alliance has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

ARTICLE 10 PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS AND TRANSFER OF ASSETS ON DISSOLUTION

SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

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

SECTION 2. DISSOLUTION

In the event of dissolution of this Alliance in any manner and for any cause, after the payment or adequate provision for the payment of all of its debts and liabilities, all of the remaining funds, assets and properties, or proceeds of sale thereof, of this Alliance shall be donated and paid as provided in the Articles of Incorporation of this Alliance.

WRITTEN CONSENT OF DIRECTORS ADOPTING BYLAWS

I, the undersigned, am the only person named as the initial directors in the Articles of Incorporation of Kenwood Educational Alliance, a California nonprofit corporation, and, pursuant to the authority granted to the directors by these Bylaws to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the foregoing Bylaws, consisting of nineteen (19) pages, as the Bylaws of this corporation.

Date: February 6, 2002

s/Del Rydman Incorporator

s/Nigel Hall, Incorporator

s/Linda Edwards, Incorporator

s/Grace Svitek Incorporator

s/Alan Brubaker, Incorporator

CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the Bylaws of the corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said corporation on the date set forth below. Dated: February 6, 2002 Helen Cravens, Secretary.