

# **THE UNIVERSITY CORPORATION**

## **BYLAWS**

### **ARTICLE 1 - OBJECTIVES**

The corporation is organized and at all times hereafter will be operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of California State University, Northridge. The corporation and all of its functions and activities are to be operated and conducted in the promotion of its charitable purposes as specified in its Articles of Incorporation.

This Corporation is an auxiliary organization (as defined in Section 89901(d) of the California Education Code) of California State University, Northridge. In addition to the restrictions in the Articles of Incorporation of this Corporation, it shall not engage in any activity except those activities permitted by the Operating Agreement between this Corporation and the Trustees of the California State University and Colleges to which Trustees Rules 425100 and 425101 refer.

### **ARTICLE 2 - POWERS**

The corporation shall have such powers as are now or may hereafter be granted by the Nonprofit Corporation Law of the State of California, except as limited by the Education Code or the provisions of its Articles of Incorporation or these Bylaws.

### **ARTICLE 3 - THE PRINCIPAL OFFICE**

The principal office for the transaction of business of the corporation is hereby fixed and located at California State University, Northridge, in the City of Los Angeles, County of Los Angeles, State of California. The Directors of this Corporation are hereby granted full power and authority to change said principal office from one location to another in said county.

### **ARTICLE 4 - MEMBERS**

#### **Section 4.1. NO REGULAR MEMBERS**

In accordance with Section 5310 of the California Corporations Code, the corporation shall have no members within the meaning of Section 5056 of that law. All action which would otherwise require approval by a majority of all members or approval by members shall require only approval of the Board of Directors. All Rights which would otherwise vest in members shall vest in the Directors.

#### **Section 4.2. PERSONS ASSOCIATED WITH THE CORPORATION**

By resolution, a majority of the Board of Directors may create any advisory boards, councils, or other bodies as it deems appropriate. The Board of Directors may also, by resolution, confer upon any such class or classes of such persons some or all of the rights identical to those of a member under the California Nonprofit Public Benefit Corporation Law other than the right to vote:

- a. for the election of a Director or Directors or an officer or officers; or
- b. on a disposition of all or substantially all of the assets of the corporation; or
- c. on a merger; or
- d. on a dissolution; or

- e. on changes to the corporation's Articles of Incorporation or Bylaws.

All such voting rights are vested exclusively in the Board of Directors.

## **ARTICLE 5 - BOARD OF DIRECTORS**

**Definition of Terms.** For the purpose of these Bylaws, "Board of Directors" or "Board" refers to the Board of Directors of the corporation. "University" refers to California State University, Northridge.

### **SECTION 5.1. POWERS**

Subject to limitations imposed by law, the Articles of Incorporation or these Bylaws, the activities and affairs of this Corporation shall be conducted and all corporate powers shall be exercised by or under direction of the Board of Directors. The Board may delegate the management of the activities of the Corporation to any person or persons, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

### **Section 5.2. NUMBER**

The number of Directors shall be seventeen (17).

### **Section 5.3. QUALIFICATION - APPOINTMENT - TENURE**

The composition of the Board of Directors shall be in conformity with Section 42602 of the California Code of Regulations, Title 5, and shall be comprised of two University administrators, six members of the University faculty, six members of the University student body and three community representatives. The President of the University shall appoint the Directors. Appointments are made at the annual meeting held in the spring. Director terms begin on July 1 of the year of appointment.

- a. Not more than two (2) Directors shall be drawn from the administrative staff of the University.
  - 1. One (1) of the Directors in this category shall be the University President or his/her designee.
  - 2. The second Director in this category shall be appointed by the University President and shall serve as a Director for a term of three years, or until the appointment of his/her successor.
- b. Not more than six (6) Directors shall be members of the General Faculty of the California State University, Northridge, and shall be appointed by the University President, in consultation with the Faculty President.
  - 1. The Directors appointed under this subsection shall serve as Directors for a term of three years each, or until the appointment of their successors. Two (2) Directors shall be appointed each year for three-year terms.

- c. Not more than six (6) Directors shall be members of the student body of the California State University, Northridge, and shall be appointed by the University President, in consultation with the Associated Students President.
  - 1. The Directors appointed under this subsection shall serve as Directors for terms of two years each, or until the appointment of their successors. Three (3) Directors shall be appointed each year for two-year terms.
  - 2. Student Directors must be regularly enrolled for at least seven (7) units of courses carrying resident credit at California State University, Northridge, except for those students who have completed ninety (90) units, who must be regularly enrolled in at least six (6) units of courses carrying resident credit at California State University, Northridge, and shall maintain a scholastic standing of at least 2.2 grade point average for work completed at said University (2.0-C). In the event any student Director ceases to have any aforementioned qualifications, such individual shall cease to be a Director of this Corporation.
  
- d. Not more than three (3) Directors shall be members of the general community who shall be individuals not employed by the California State University, Northridge or its Auxiliary Corporations, and shall be appointed by the University President.
  - 1. The Directors appointed under this subsection shall serve as Directors for terms of three years each, or until appointment of their successors. One (1) Director shall be appointed each year for a three-year term.

#### **Section 5.4 VACANCIES**

Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any Director may resign effective upon giving written notice to the Chair or Secretary of the Board, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be selected before that time, to take office when the resignation becomes effective. Vacancies on the Board shall be filled by the University President. Each Director so appointed shall hold office until the expiration of the term of the replaced Director or until a successor has been appointed by the University President. A vacancy or vacancies on 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. Directors may be removed without cause (a) by the University President, or (b) by a majority of the voting Directors then in office, subject to approval of the University President. No reduction of the authorized number of Directors shall have the effect of removing any Director before expiration of the Director's term of office.

#### **Section 5.5. INSPECTION BY DIRECTORS**

The Corporation shall keep at its principal office for the transaction of business the original copy of its Bylaws, as amended or otherwise altered to date, certified by the President and Secretary of the Corporation, which shall be open to inspection by all Directors at all reasonable times during regular office hours. Directors shall have the absolute right, at any reasonable time, to inspect all books, records, documents, of all and every kind and description, and the physical properties of the Corporation.

**Section 5.6. COMPENSATION OF DIRECTORS**

The Directors of this Corporation shall serve without salary or other pecuniary remuneration for their services as such.

**Section 5.7. CONFLICT OF INTEREST**

No Director shall be financially interested in any contract or other transaction entered into by the Board of Directors that is not in accordance with the conflict of interest provisions set forth in Education Code Sections 89906-89909. The following contractual relationships are specifically not allowed:

- a. Any contract, other than an employment contract, directly between the corporation and a Director.
- b. Any contract between the corporation and a partnership or unincorporated association in which a Director is a partner, or an owner, or a holder, directly or indirectly, of a proprietorship interest.
- c. Any contract between the corporation and a for-profit corporation in which a Director is the owner or holder, directly or indirectly, of five percent (5%) or more of the outstanding stock.

Any Director who has a conflict and cannot divest himself/herself of such interest as specified in subsections a, b, and c above, shall be required to resign his/her Board position.

A Director must disclose any financial interest, which could be impacted by the action of the Board. Under these circumstances the Director must recuse himself or herself from the action to approve such a transaction on the part of the Board. Failure to disclose may result in avoidance (voiding) of the contract.

Every Director shall be required to execute and deliver a written Conflict of Interest statement. Failure to do so shall be grounds for removal from the Board of Directors.

**Section 5.8. DUTIES OF DIRECTORS**

A Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a. One or more officers or employees of this corporation whom the Director believes to be reliable and competent in the matters presented;
- b. Counsel, independent accountants, or other persons as to matters which the Director believes to be within any such person's professional or expert competence; or
- c. A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence; so long as, in any such case, the Director acts in good faith, after reasonable inquiry when the need therefor is

indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

## **ARTICLE 6 - OFFICERS AND EXECUTIVE COMMITTEE**

### **Section 6.1. GENERAL**

The officers of this Corporation shall be its Chair of the Board, its President, two Vice-Presidents, its Secretary, its Recording Secretary, its Treasurer and its Chief Financial Officer. The Chair of the Board, the two Vice Presidents, the Recording Secretary and the Treasurer shall each be a Director. The President, the Secretary and the Chief Financial Officer shall be non-voting officers and shall not be members of any one of the four classes of Directors defined in Article 5 of these Bylaws. No more than three voting officers shall come from any one of the four classes of Directors defined in Article 5 of these Bylaws.

### **Section 6.2. ELECTION**

The officers listed in Section 6.1, other than the President, the Secretary and the Chief Financial Officer, shall be chosen by a majority of the Directors at the annual meeting. Each officer shall hold office until his/her successor is elected and qualified, or until s/he shall resign, shall be removed, or shall otherwise be disqualified.

### **Section 6.3. VACANCIES**

If the office of any of the officers, other than President, Secretary or Chief Financial Officer, becomes vacant by reason of resignation, removal, disqualification, death, or otherwise, a majority of the Directors shall, within a reasonable time thereafter, appoint a successor who shall hold office for the unexpired term, or until his/her successor is elected.

### **Section 6.4. REMOVAL**

Any officer of this Corporation, other than the President, the Secretary and the Chief Financial Officer, is subject to removal by the Directors, with or without cause, by a majority vote of the Directors present at a special meeting of the Directors called for that purpose. The President, the Secretary and the Chief Financial Officer serve at the pleasure of the Board of Directors and are subject to removal at any time.

### **Section 6.5. CHAIR OF THE BOARD**

The Chair of the Board shall preside at all meetings of the Directors and of the Executive Committee. S/he shall have, subject to the advice and control of the Directors, charge of the direction and general management of the affairs, business, and employees of the Corporation, and shall have such other powers and perform such other duties, as, from time to time, may be assigned to him/her by Directors or the Bylaws.

### **Section 6.6. PRESIDENT**

The University Corporation's Executive Director shall be the President and Chief Executive Officer of this Corporation. The President shall not serve as a member of the Executive Committee but shall

exercise and perform such powers and duties, as, from time to time, may be assigned to him/her by the Chair of the Board, the Executive Committee, the Directors or the Bylaws.

**Section 6.7. VICE PRESIDENT**

a. First Vice President

If at any time the Chair of the Board shall be absent, or unable to act, the First Vice-President shall take his/her place, shall be vested with the powers of, and shall perform the duties of the Chair of the Board. In addition thereto, s/he shall have such other powers and perform such duties as from time to time may be assigned to him/her by the Chair of the Board of Directors or by the Bylaws.

b. Second Vice President

If at any time both the Chair of the Board and the First Vice-President shall be absent, or unable to act, the Second Vice-President shall be vested with the powers of, and shall perform the duties of the Chair of the Board. In addition thereto, s/he shall have such other powers and perform such duties as from time to time may be assigned to him/her by the Chair of the Board of Directors or by the Bylaws.

**Section 6.8. SECRETARY**

The University Corporation's Chief Financial Officer shall be the Secretary of this Corporation. The Secretary shall not serve as a member of the Executive Committee but shall exercise and perform such powers and duties, as from time to time, may be assigned to him/her by the Chair of the Board, the Executive Committee, the Directors or the Bylaws. S/he shall have the custody of the corporate seal, and when so ordered by the Directors or the officers, shall affix the seal on documents or instruments in the name and on behalf of the Corporation.

**Section 6.9. RECORDING SECRETARY**

The Recording Secretary shall keep, and cause to be kept, at the principal office of this Corporation, or at such other place as the Directors may order, a book of minutes of all meetings of the officers, of the members, and of the Directors, with the time and place of holding, whether regular or special and, if special, how authorized, the notice thereof given, and the names of those present at the meetings, the number of Directors present, and the proceedings thereof. The Recording Secretary shall keep in the principal office a register showing the names of all duly qualified Directors and their addresses. In addition, s/he shall have such other powers, and perform such other duties as from time to time may be assigned to him/her by the Chair of the Board of Directors or the Bylaws.

**Section 6.10. TREASURER**

The Treasurer shall chair the finance committee and shall have such other powers, and perform such other duties as from time to time may be assigned to him/her by the Chair of the Board of Directors or by the Bylaws.

**Section 6.11. CHIEF FINANCIAL OFFICER**

The Chief Financial Officer shall not serve as a member of the Executive Committee but shall exercise and perform such powers and duties, as, from time to time, may be assigned to him/her by the Chair of the Board, the Executive Committee, the Directors or the Bylaws. The Chief Financial Officer shall keep and maintain at the principal office of this Corporation, or at such other place as the Directors may order, adequate and correct accounts of all the properties and business transactions of this Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. S/he shall keep separate records on all special funds coming into the possession or control of this Corporation, for management and disbursement, including all special trust funds, scholarship accounts, grants, loan funds, revolving funds, activity or organization funds, and general income accounts. S/he shall retain copies of any and all indentures, contracts, or documents containing or relating to all restrictions, covenants, or conditions imposed by donors to said Corporate funds, as to the manner, method, or control of said trust or endowment funds.

**Section 6.12. EXECUTIVE COMMITTEE**

- a. The Chair of the Board, the two Vice Presidents, the Recording Secretary and the Treasurer of the Corporation shall constitute an Executive Committee. The Executive Committee shall have oversight of the detailed business affairs of this Corporation that have been authorized, established and adopted by the Directors of this Corporation. All actions of the Executive Committee shall be by majority vote.
- b. Said Executive Committee shall have power or authority to make gifts of corporate property not to exceed Five Thousand Dollars (\$5,000).
- c. The Executive Committee shall be responsible for the preparation, adoption, publication, and distribution of all agenda for Director meetings.

**ARTICLE 7 - INDEMNIFICATION OF DIRECTORS, OFFICERS, AND OTHER AGENTS**

**Section 7.1. RIGHT OF INDEMNITY**

To the fullest extent permitted by law, the corporation shall indemnify its Directors, Officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding" as that term is used in that Section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses," as used in these bylaws, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

**Section 7.2. APPROVAL OF INDEMNITY**

On written request to the Board by any person seeking indemnification under Section 5238(B) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall offer indemnification.

**Section 7.3.                    ADVANCEMENT OF EXPENSES**

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by those Sections shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

**Section 7.4.                    INSURANCE**

The Corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its Directors, Officers, employees, and other agents, against any liability asserted against or incurred by any Director, Officer, employee, or agent in such capacity or arising out of the Director's, Officer's, employee's or agent's status as such.

**ARTICLE 8 - DIRECTOR MEETINGS**

**Section 8.1.                    LOCATION OF MEETINGS**

All meetings of the Directors shall be held at the principal office of the Corporation, in the County of Los Angeles, State of California.

**Section 8.2.                    ANNUAL MEETING**

An annual meeting of the Board of Directors shall be held in the spring of each year. Such meeting shall be for the purpose of acknowledging the appointment or reappointment and the specification of terms of Directors, for the election of officers, and for the transaction of such other business as may come before the meeting.

**Section 8.3.                    REGULAR MEETINGS**

The Board of Directors shall hold regular meetings not less than three (3) times each calendar year. Each meeting shall be held on a date not more than five (5) months later than the last regular meeting held.

**Section 8.4.                    SPECIAL MEETINGS**

Special meetings of Directors may be called by, or at the direction of, the President or by a majority of the voting Directors then in office, to be held at such date, time and place as shall be designated in the notice of meeting. The call and notice of a special meeting shall be delivered at least ten (10) days prior to any meeting and shall specify the date, time and place of the meeting and the business to be transacted and no other business may be conducted at a special meeting.

**Section 8.5.                    OPEN MEETINGS**

All meetings of the Board of Directors shall be open and public, and all persons shall be permitted to attend any meeting of the Board; provided, however, that the Board may hold closed sessions during any

meeting to consider those matters that may lawfully be considered in such sessions under Article 2 (commencing with Section 89920) of Chapter 7 of Part 55 of the Education Code.

**Section 8.6. NOTICE OF MEETINGS**

- (a) Notice of the date, time and place of any meeting of the Board of Directors other than annual or special meetings shall be given at least ten (10) days previous thereto by written notice delivered personally or sent by mail, facsimile or electronic mail to each Director at his or her address or facsimile number or electronic mail address as shown on the records of the corporation. If mailed, such notice shall be deemed to be delivered the next day during which regular mail deliveries are made after the day such notice is deposited in the United States Postal Service in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by facsimile, such notice shall be deemed delivered when the facsimile is transmitted. If notice be given by electronic mail, such notice shall be deemed delivered upon transmission of the electronic mail. The business to be transacted at any regular meeting of the Board shall be specified in the notice of any such meeting.
- (b) The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
- (c) Notice of a meeting of the Board shall also be given to any persons entitled thereto pursuant to Section 89921 of the California Education Code.

**Section 8.7. ADJOURNED MEETINGS**

A quorum of the Directors, or in the absence of a quorum, a majority of the Directors present at any Directors meeting, may adjourn the meeting to meet again at a stated date, time and place. Notice of the date, time, place and business to be transacted at such meeting shall be given to any directors who were not present at the time of the adjournment.

**Section 8.8. QUORUM**

The presence in person of thirty five percent (35%) of the number of voting Directors in office shall constitute a quorum for the transaction of business.

**Section 8.9. VOTING RIGHTS**

Each qualified Director shall have one (1) vote. Said vote may not be cast by proxy.

**Section 8.10. AGENDA**

The agenda prepared by the Executive Committee as provided in Section 6.11.b of these Bylaws shall be given in writing by the Recording Secretary or Executive Director of the Corporation to the Directors at least ten (10) days prior to each Director meeting. The agenda shall be given to the Directors in the same manner as prescribed in Section 8.6 for the Notice of Meeting. An agenda for the meeting will accompany the written notice of any meeting sent to any person or medium who requests such notice in writing. No

business items shall be added to the agenda subsequent to the provisions of such notice, unless unforeseen emergency conditions arise.

**Section 8.11. PARTICIPATION IN MEETINGS BY CONFERENCE TELEPHONE**

One or more members of the Board of Directors may participate in (and shall be deemed to be present at) an open or closed meeting through use of conference telephone or similar communications equipment, so long as all members of the Board participating in such meeting can hear one another (and, at open meetings, those in attendance can hear all members).

**SECTION 8.12. MINUTES OF MEETINGS AND CONDUCT**

Written minutes of all meetings of the Board of Directors shall be kept. The Board may adopt its own rules of procedure insofar as such rules are not inconsistent with, or in conflict with, these Bylaws, the Articles of Incorporation or the Law.

**ARTICLE 9 - EXECUTIVE COMMITTEE MEETINGS**

**Section 9.1. LOCATION OF MEETINGS**

All meetings of the Executive Committee shall be held at the principal office of the Corporation, in the County of Los Angeles, State of California.

**Section 9.2. REGULAR MEETINGS**

The Executive Committee shall hold regular meetings not less than three (3) times each calendar year. Each meeting shall be held on a date not more than five (5) months later than the last regular meeting held.

**Section 9.3. SPECIAL MEETINGS**

Special meetings of the Executive Committee members, for a specific purpose, may be called at any time by one of the following: (1) the Chair of the Board of The University Corporation; (2) not less than two members of the Executive Committee.

**Section 9.4. OPEN MEETINGS**

All meetings of the Executive Committee shall be open and public, and all persons shall be permitted to attend any meeting of the Executive Committee; provided, however, that the Committee may hold closed sessions during any meeting to consider those matters that may lawfully be considered in such sessions under Article 9- 2 (commencing with Section 89920) of Chapter 7 of Part 55 of the Education Code.

**Section 9.5. NOTICE OF MEETING**

Written notice of all regular Executive Committee meetings, and all special meetings where action is to occur, including the agenda, shall be given to Executive Committee members by the Secretary or Executive Director of the Corporation at least seven (7) calendar days before such meeting. The notice and agenda shall be given to the member personally, or sent by first class mail to the member's address appearing on the books of the Corporation. If the member gives no address, notice is duly given if sent by

first class mail to him/her in care of the principal office of the Corporation. Written notice of any meeting, including the agenda, shall also be given at least seven (7) days in advance to any person or medium who requests such notice in writing. Written notice of all special meetings where action is not to occur shall be delivered personally, by mail or by electronic mail to each member at least 24 hours prior to such meetings and shall specify the time and place of such meeting and the business to be transacted.

**Section 9.6. ADJOURNED MEETINGS**

Any Executive Committee meeting may be adjourned from day to day or from time to time until its business is completed, upon a majority vote of the members present. In the absence of a quorum, no business other than adjournment from time to time may be transacted at any meeting of the Executive Committee.

**Section 9.7. NOTICE OF ADJOURNED MEETINGS**

When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given, as in the case of other meetings. When a meeting is adjourned for less than thirty (30) days, it is not necessary to give any notice of the time or place of the adjourned meeting, or of the business to be transacted thereat.

**Section 9.8. QUORUM**

The presence of three (3) of the qualified Executive Committee members shall constitute a quorum for the transaction of business.

**Section 9.9. VOTING RIGHTS**

Each qualified Executive Committee member shall have one (1) vote. Said vote may not be cast by proxy.

**Section 9.10. AGENDA**

The agenda shall be given in writing by the Recording Secretary or Executive Director of the Corporation to the Executive Committee members at least seven (7) days prior to each Executive Committee meeting. The agenda shall be given to the committee members in the same manner as prescribed in Section 8.5 for the Notice of Meeting. An agenda for the meeting will accompany the written notice of any meeting sent to any person or medium, who requests such notice in writing. No business items shall be added to the agenda subsequent to the provisions of such notice, unless unforeseen emergency conditions arise.

**ARTICLE 10 - OTHER COMMITTEE MEETINGS**

**Section 10.1. OPEN MEETINGS**

Corporate committee meetings having two or more members, whose membership consists of one or more Directors serving on the committee in his/her official capacity as a representative of the Board of Directors shall be open and public except as provided in the Open Meeting Law.

**Section 10.2. NOTICE OF MEETING**

Written notice of meetings of standing committees of the Board of Directors shall be given to committee members at least seven (7) calendar days before such meeting. The notice shall include a brief, general description of the business to be discussed, and the name, address and telephone number of a person who can provide further information prior to the meeting.

**ARTICLE 11 - RECORDS AND REPORTS**

**Section 11.1. INSPECTION**

The Corporation shall keep at its principal office for the transaction of business the original copy of its Bylaws, as amended or otherwise altered to date, certified by the Secretary and Treasurer of the Corporation, which shall be open to inspection by all Directors at all reasonable times during regular office hours. Directors shall have the absolute right, at any reasonable time, to inspect all books, records, documents, of all and every kind and description, and the physical properties of the Corporation.

**Section 11.2. ANNUAL REPORTS AND AUDITS**

The officers of this Corporation shall be required to make at least one annual report of the business affairs of this Corporation, which shall include complete audited financial statements indicating the financial condition of the Corporation, and of the funds managed by the Corporation, and the results of the operations for the fiscal year then ended as certified by a Certified Public Accountant of the State of California or an auditor designated and appointed by the State of California.

**ARTICLE 12 - MISCELLANEOUS**

**Section 12.1. CHECKS AND DRAFTS**

All checks and drafts for money and notes of this Corporation in excess of \$5,000 shall be signed by two of those persons presently authorized to sign, one of whom must be an officer of the Corporation.

**Section 12.2. EXECUTION OF CONTRACTS**

Except as otherwise provided by the Bylaws, the Directors may authorize any officer or officers, or agent or agents, of the Corporation to enter into any contract, or execute and endorse any instrument in the name of, and on behalf of, the Corporation. No officer or agent, or employee, shall have any authority to bind the Corporation by any contract, or to pledge its credit, or to render it liable, pecuniarily, for any purpose, or to any amount, unless s/he is so authorized by the Directors or by these Bylaws otherwise provided.

**Section 12.3. AMENDMENTS OF BYLAWS**

These Bylaws may be amended at any regular meeting of the Board of Directors, or at any special meeting called solely for that purpose, by a majority vote of the total voting membership of the Board of Directors.



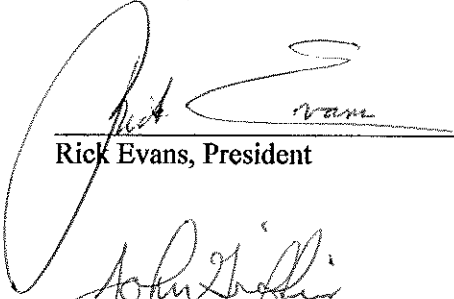
## CERTIFICATE


WE, THE UNDERSIGNED, DO HEREBY CERTIFY:

- 1) That we are the President and Secretary, respectively, of the above-named corporation; and
- 2) That the foregoing Bylaws comprised of twelve (12) pages, constitute the Bylaws of said corporation as duly adopted by the Board of Directors of said corporation on October 12, 2011.

IN WITNESS WHEREOF, we have hereunto subscribed our names and affixed the seal of said corporation.

October 17, 2011

  
Rick Evans, President

  
John Griffin, Secretary