

**RESOLUTIONS OF
THE BOARD OF DIRECTORS
OF
SACRAMENTO RIVER SETTLEMENT CONTRACTORS
A California Nonprofit Mutual Benefit Corporation**

ACTIONS OF INCORPORATOR

WHEREAS, on January 6, 2016, the Incorporator of this Corporation caused the original Articles of Incorporation, attached hereto as **Exhibit A**, to be filed with the Secretary of State of California.

WHEREAS, effective as of that same date, the Incorporator of this Corporation obtained a federal employer identification number for the Corporation.

WHEREAS, on January 11, 2016, the Incorporator of this Corporation adopted Bylaws for the regulation of the Corporation's affairs and appointed the initial Board of Directors, as stated in the Statement of Incorporator attached hereto as **Exhibit B**.

NOW, THEREFORE, BE IT RESOLVED, that the above actions of the Incorporator are hereby adopted, approved, confirmed and ratified.

RESOLVED FURTHER, that the Secretary of this Corporation is directed to insert a certified copy of the Articles of Incorporation into the Minute Book of this Corporation and shall keep a copy of the Articles of Incorporation at the principal executive office of this Corporation in California.

RESOLVED FURTHER, that the Secretary of this Corporation shall execute a certificate of adoption of the Bylaws, insert the Bylaws into the Minute Book of this Corporation, and shall keep a copy of the certified Bylaws at the principal executive office of this Corporation in California.

ELECTION OF OFFICERS

RESOLVED, that the following persons are hereby elected to serve in the offices set forth below until their successors are duly elected and qualified:

Chairman:	Thaddeus L. Bettner
Secretary:	John Brennan
Treasurer:	Andy Duffey

COMPENSATION OF OFFICERS AND DIRECTORS

RESOLVED, that neither the officers nor the directors of the Corporation shall be compensated for their services as such; however, an officer or director may be compensated for services to the Corporation as an employee or in any other capacity as the Board of Directors may determine.

PRINCIPAL OFFICE LOCATION

PRINCIPAL OFFICE LOCATION

RESOLVED, that the principal place of business of this Corporation, and the site of its principal executive office, shall be located at 344 E. Laurel Street, Willows, CA 95988, until changed by resolution of the Board of Directors.

AUTHORIZATION TO FILE APPLICATIONS FOR TAX EXEMPTIONS

RESOLVED, that the officers are hereby authorized and directed to take all necessary steps to execute and file all necessary instruments to apply for federal and California tax exemptions as a nonprofit organization.

LEGAL REPRESENTATION

RESOLVED, that the actions of the Incorporator, directors and officers to retain Downey Brand LLP to represent the Corporation for purposes of corporate formation and governance and preparation of federal and state applications for tax exemption are hereby ratified and approved.

ACCOUNTANT

RESOLVED, that the officers of the Corporation are authorized to retain a Certified Public Accountant to act as the accountant for the Corporation.

AGENT FOR SERVICE OF PROCESS

RESOLVED, that Thaddeus L. Bettner is designated as the agent of this Corporation for the purpose of receiving service of process.

ACCOUNTING YEAR

RESOLVED, that the Corporation's accounting year shall end on December 31 of each year.

BANK ACCOUNTS

RESOLVED, that the officers of the Corporation, each of whom may act alone, are authorized and directed to take such steps as necessary to open such bank accounts on behalf of the Corporation as the officers (or officer) deem appropriate.

RESOLVED FURTHER, that the officers of the Corporation, each of whom may act alone, are authorized and directed to execute such documents and to provide to such bank(s) such corporate documentation as may be necessary for the opening of said account(s), including form bank resolutions, copies of which shall be attached to these or subsequent minutes as exhibits incorporated therein.

RESOLVED FURTHER, that the officers of the Corporation, each of whom may act alone, are authorized to draw checks on the bank account(s) of this Corporation, make deposits and withdrawals, serve as the Corporation's authorized banking signatories, and accomplish other necessary or appropriate banking activities on behalf of the Corporation.

STATEMENT OF INFORMATION (DOMESTIC NONPROFIT CORPORATION)

RESOLVED, that the officers of the Corporation are authorized and directed to take such actions as necessary to file the biennial Statement of Information (Domestic Nonprofit Corporation) as required by the California Corporations Code.

2015 INITIAL BUDGET AND 2016 BUDGET

RESOLVED, that the 2015 initial budget, attached hereto as **Exhibit C**, and the 2016 budget, attached hereto as **Exhibit D**, are ratified, confirmed, adopted and approved.

ISSUANCE OF MEMBERSHIPS AND ESTABLISHMENT OF DUES

RESOLVED, that the consideration for which memberships in the Corporation will be issued shall be set forth in the budgets, subject to adjustment, and payable annually, subject to the Bylaws, unless changed by action of the Board of Directors.

RESOLVED FURTHER, that the officers, each of whom may act alone, are authorized to countersign and return copies of Membership Applications and Agreements upon Board of Director approval, and may issue membership certificates to persons who apply for membership pursuant to the Membership Application and Agreement, attached hereto as **Exhibit E**, who are found to be qualified by the Board of Directors, and who have tendered payment of the membership fees, dues and assessments.

INCORPORATION EXPENSES AND SPECIAL ASSESSMENT

RESOLVED, that the officers of the Corporation, each of whom may act alone, are hereby authorized and directed to pay the outstanding engineering, legal, accounting and other outstanding formation and organization balances of the Corporation, including any necessary reimbursements, which reimbursements shall include a \$300,000 reimbursement to Glenn-Colusa Irrigation District for its 2015 payments to MBK Engineers for preparation of technical information utilized in negotiations to further the Corporation's purposes, and reimbursement to other individuals, entities and agencies that provided formation and organization funds, as applicable and appropriate.

RESOLVED FURTHER, that the officers are authorized and directed to prepare and deliver to eligible members a consolidated invoice for (i) 2016 dues and (ii) a special assessment to cover the 2015 budget and incorporation, formation and other start-up costs.

ADMISSION OF MEMBERS

RESOLVED, that the persons listed on **Exhibit F** shall be admitted as members upon completion of the Membership Application and Agreement and payment of their respective membership fees, dues and assessments, each having such rights and obligations as set forth in the Bylaws.

COMPLIANCE WITH POLITICAL REFORM ACT

RESOLVED, that the officers are authorized and directed to file the necessary forms registering the Corporation as a lobbyist employer and/or recipient committee with the California Secretary of State and identifying any and all lobbyists engaged or to be engaged on behalf of or by the Corporation.

RESOLVED FURTHER, that the officers shall make all necessary periodic filings required by the Political Reform Act (the "Act"), describing all lobbying and campaign activities and other information required by that Act to be disclosed and reported.

NONPROFIT MAILING PERMIT

RESOLVED, that the officers of the Corporation and each of them are authorized to make such filings and applications as necessary to secure a nonprofit mailing permit for the Corporation.

INSURANCE

RESOLVED, that the officers are hereby directed and authorized to obtain and maintain insurance to the full extent permitted by law on behalf of the Corporation's officers, directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such.

CONSENT TO USE OF ELECTRONIC TRANSMISSIONS

RESOLVED, that the Corporation may send meeting notices, annual reports and all other materials by electronic transmission to each director, officer and member who executes a Consent to Use of Electronic Transmissions in the form attached hereto as **Exhibit G**, and that the Corporation may rely on communications sent to the Corporation by electronic transmission from each director, officer or member who executes such a consent.

MEMBER MEETING AND BOARD MEETING

RESOLVED, that the Board of Directors hereby schedules a member meeting for February 17, 2016, to commence at 1 p.m., local time, at the offices of RD 1004, located at 317 4th Street, Colusa, CA 95932, for the purposes of discussing incorporation, formation, membership, operations, and upcoming elections of directors and director alternates, and considering and voting upon such other business as may properly come before the meeting and any adjournments or postponements thereof.

RESOLVED FURTHER, that the Board of Directors hereby schedules a Board of Directors meeting to immediately follow the February 17, 2016 member meeting at the offices of RD 1004, located at 317 4th Street, Colusa, CA 95932, for the purposes of discussing incorporation, formation, membership, operations, and upcoming elections of directors and director alternates (including scheduling the date for such elections), and considering and voting upon such other business as may properly come before the meeting and any adjournments or postponements thereof.

RESOLVED FURTHER, that the officers of the Corporation, any of whom may act alone, are hereby authorized and instructed to sign and mail, as they deem appropriate, written notices for the foregoing meetings pursuant to the Bylaws of the Corporation.

AUTHORIZATION FOR REQUIRED ACTIONS

RESOLVED, that any officer of this Corporation is authorized to take all necessary or appropriate actions and to execute all documents required to fulfill or complete the actions contemplated by the foregoing resolutions and that they are further authorized to take all necessary or appropriate steps to comply with the state or federal requirements of corporate existence.

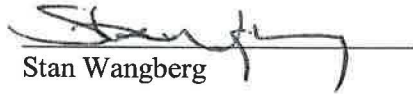
RESOLVED FURTHER, that any and all acts of the directors or officers of this Corporation done or made heretofore in connection with the actions contemplated by the foregoing resolutions, are hereby ratified and approved.



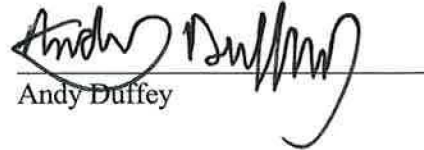
Thaddeus L. Bettner



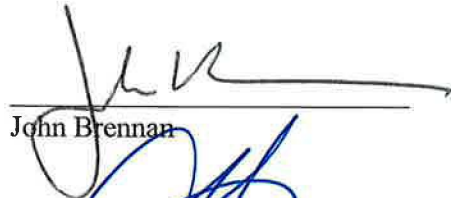
Lewis Bair



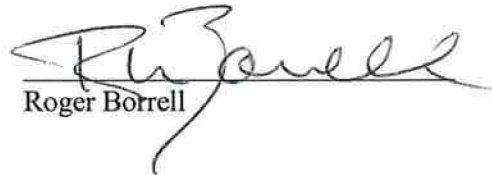
Stan Wangberg



Andy Duffey



John Brennan



Roger Borrell



Steve Butler

**BYLAWS
OF
SACRAMENTO RIVER SETTLEMENT CONTRACTORS**

**ARTICLE I
NAME**

Section 1.1 Name of Corporation. The name of this corporation is Sacramento River Settlement Contractors (the "Corporation").

**ARTICLE II
OFFICES**

Section 2.1 Principal Office. The principal office of the Corporation will be located at 344 E. Laurel Street, Willows, CA 95988, in Glenn County, California. The Board of Directors of the Corporation (the "Board") may change the principal office from one location to another within California. Any such change of location shall be noted by the Secretary on these Bylaws opposite this Section, or this Section may be amended to state the new location.

**ARTICLE III
PURPOSE**

Section 3.1 General Purpose. This Corporation is a nonprofit mutual benefit corporation organized under the California Nonprofit Mutual Benefit Corporation Law. The purpose of this 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. This Corporation is not for the private gain of any person.

Section 3.2 Primary Purpose. The primary purpose for which this Corporation is formed is to protect and preserve the Sacramento River Settlement Contractors' water rights, water supplies, and Sacramento River Settlement Contracts. In the context of the Corporation's primary purpose, the Corporation may also (a) support governmental advocacy and public education efforts related to the Sacramento River Settlement Contractors' interests; (b) address the needs for any renewals of the Sacramento River Settlement Contracts, any related consultations with state and federal resource agencies, and any related litigation or administrative proceedings; (c) provide for ongoing technical analysis of Central Valley Project and State Water Project operations, and related discussions with the United States Bureau of Reclamation, the California State Water Resources Control Board, the California Department of Water Resources, and other relevant federal and state agencies; and (d) carry on other activities associated with these goals as allowed by law. Despite any other provision of the Articles of Incorporation or these Bylaws, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purposes of this Corporation.

Section 3.3 Optional Additional Purposes. In addition to the primary purpose listed in Section 3.2 above, the Corporation is formed to, in the Board's discretion, (a) participate, as appropriate, in the development of river restoration projects that complement and protect the interests of the Sacramento River Settlement Contractors, and (b) participate, as appropriate, in the development of basin-wide planning for meeting the water supply needs in the Members' service areas, including consideration of new surface water storage and conjunctive use projects; provided however, that individual Members

may elect, pursuant to their respective annual dues statements or equivalent notice from or to the Corporation, that their dues, fees and assessments not be applied toward such purposes set forth in subsections (a) and/or (b) of this Section. Management will maintain separate funds and separate accounting for the foregoing optional additional purposes in order to ensure that individual Members' elections are respected.

ARTICLE IV MEMBERSHIPS

Section 4.1 Eligibility for Membership. All persons, including districts and companies, who are party to a Sacramento River Settlement Contract with the United States Bureau of Reclamation for diversion of water from the Sacramento River shall be eligible for membership on approval of the membership application by the Board and on timely payment of such dues, fees and assessments as the Board may fix from time to time.

Section 4.2 Classes of Membership. The Corporation shall have three classes of membership:

(a) **Tier 1.** A Tier 1 Member is a person with more than 99,999 acre-feet of water under contract with the United States Bureau of Reclamation.

(b) **Tier 2.** A Tier 2 Member is a person with 9,999 to 99,999 acre-feet of water under contract with the United States Bureau of Reclamation.

(c) **Tier 3.** A Tier 3 Member is a person with less than 9,999 acre-feet of water under contract with the United States Bureau of Reclamation.

All Members are entitled to vote as statutory members under Section 5056 of the California Nonprofit Corporation Law and are referred to collectively as "Members."

Section 4.3 Membership Dues, Fees and Assessments. Each Member must pay, within the time and on the conditions set by the Board, their respective dues, fees, and assessments in the amounts to be fixed for each membership class from time to time by the Board. The criterion for deciding dues, fees, and assessments shall be the same for all Members of each class, but the Board may, in its discretion, set different dues, fees, and assessments, and criterion therefor, for each class, and change such from time to time. A new Member admitted for a partial fiscal year shall pay, within the time and on the conditions set by the Board, its respective dues, fees, and assessments in the amounts fixed by the Board. The addition of a new Member during the fiscal year shall not affect the current budget or other Members' dues, fees and assessments. Notwithstanding anything to the contrary in this Section, the Board will respect individual Members' elections to not apply their dues, fees and assessments toward the optional additional purposes in Section 3.3 and will oversee the creation and maintenance of separate funds and separate accounting as described in Section 3.3 and Section 12.3.

Section 4.4 Termination of Membership. Each Member shall remain a Member until the occurrence of any of the following events:

(a) **Withdrawal of a Member, subject to the provisions of Section 4.8;**

(b) Occurrence of any event that renders a Member ineligible for membership, or failure to satisfy membership qualifications;

(c) The non-payment of dues, fees or assessments as set by the Board within 60 days after they become due and payable; or

(d) Expulsion of the Member, based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the Member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially or seriously prejudicial to the purposes and interests of the Corporation.

Section 4.5 Suspension of Membership. A Member may be suspended based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the Member has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests. A Member whose membership is suspended shall not enjoy any of the rights, privileges and benefits of membership during the period of suspension determined by the Board, but shall remain obligated to the Corporation for all dues, fees, charges and assessments.

Section 4.6 Procedure for Suspension, Expulsion, and Termination. If grounds appear to exist for suspending, expelling or terminating a Member, the following procedure shall be followed. The Board shall give the Member at least 15 days' prior notice of the proposed suspension, expulsion or termination and the reasons for the proposed suspension, expulsion or termination. 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 Member's last address as shown on the Corporation's records. The Member shall be given an opportunity to be heard, either orally or in writing, in the Board's discretion, at least five days before the effective date of the proposed suspension, expulsion or termination. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the suspension, expulsion or termination should occur. The Board, committee, or person shall decide whether the Member should be suspended, expelled, terminated or sanctioned in any way. The decision of the Board, committee, or person shall be final.

Section 4.7 Transfer of Memberships. A membership may be transferred to another person meeting the qualifications of the transferring Member as authorized by the Board. The Board may by resolution impose transfer fees or other conditions on the transferring party as it deems fit provided those fees and conditions are the same for similarly situated Members. All rights of membership cease on the Member's death, suspension, expulsion, termination, or dissolution, or the transfer of a membership for the transferring party.

Section 4.8 Withdrawal and Re-admittance.

(a) Withdrawal and Budget. A Member wishing to withdraw from the Corporation must give written notice to the Corporation by 5:00 p.m. California time on December 31, which withdrawal will be effective beginning January 1. If such notice is not given, a Member will remain a Member for the next fiscal year (or current fiscal year if notice is given late). If the Corporation does not timely provide to Members the budget, or the Board amends the budget, pursuant to Section 12.3(a) of these Bylaws, then this provision shall not apply, and a Member shall have 60 days following the mailing of the budget, or budget amendment, to Members to provide notice of withdrawal to the Corporation. A

Member wishing to withdraw from the Corporation must give written notice to the Corporation by 5:00 p.m. California time on sixtieth day following the mailing. In the case of a late annual budget, timely withdrawal will be retroactively effective to January 1 and will excuse a withdrawing Member from its new budgetary assessment, fee and charge. In the case of a budget amendment, timely withdrawal will excuse Members from any assessment, fee or charge relating to the budgetary increase.

(b) Re-admittance. A withdrawing Member or a Member terminated pursuant to Sections 4.4(b), (c) or (d), will not be entitled to rejoin the Corporation for a period of one full calendar year subsequent to the year in which the notice of withdrawal is given or termination occurs. Should such Member choose anytime thereafter to rejoin the Corporation, the Member shall pay, in full prior to such Member's re-admittance, the lesser of (i) twice the Member's new annual budgetary assessment as determined by the Board pursuant to these Bylaws and the budget, and (ii) such amount determined by the Board in its discretion in the best interests of the Corporation, provided that such amount shall not be less than the Member's annual budgetary assessment as determined by the Board pursuant to these Bylaws and the budget. The Board may establish and amend from time to time in its discretion, and circulate to Members, a re-admittance policy not inconsistent with the provisions of these Bylaws.

(c) Continuing Current Obligations; Avoiding Future Obligations. Withdrawal or termination will not relieve a Member from any current obligation for charges, dues, assessments or fees in the current fiscal year, or next if notice is given late, and will not diminish any right of the Corporation to enforce any such obligation or obtain damages for its breach. Members are not permitted to opt-out of Board approved projects and budgetary items, except for those optional additional purposes under Section 3.3 of these Bylaws, after the periods of review and withdrawal established by Sections 4.8(a) and 12.3(a) of these Bylaws. Members may withdraw promptly, during the periods of review and withdrawal established by Sections 4.8(a) and 12.3(a) of these Bylaws, upon learning of dues, fees or assessments to avoid such dues, fees and assessments, thereby avoiding liability for future annual dues, fees or assessments or budgetary increases, unless a contract to the contrary has been signed. For the avoidance of doubt, despite withdrawal or termination, Members remain liable for current charges, dues, assessments and fees owed, and such shall not be returned upon withdrawal or termination.

Section 4.9 Membership Rights on Dissolution. If the Corporation is dissolved, Members shall receive a pro rata distribution of all assets, exclusive of those held in charitable trust, if any, 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.

ARTICLE V MEMBER VOTING RIGHTS

Section 5.1 Member Voting Rights.

(a) Voting Rights, Generally. All Members shall have identical voting rights, except as set forth under Section 5.1(b) hereof. On each matter submitted to a vote of the Members, each Member shall be entitled to cast one vote. Members shall have the right to vote, as set forth in these Bylaws, (i) on the election of directors and director alternates for their class, (ii) on the disposition of all or substantially all of the assets of the Corporation, (iii) on any merger and its principal terms and any amendment of those terms, and (iv) on any election to dissolve the Corporation. In addition, Members shall have all rights afforded Members under the California Nonprofit Mutual Benefit Corporation Law. Voting on all matters may be conducted by mail.

(b) Election of Directors, Only. Only Members eligible to vote shall be entitled to vote for directors and director alternates. There shall be three directors and three director alternates elected from each of Tiers 1 and 2. There shall be one director and one director alternate elected from Tier 3. Each Member shall vote once for a director and once for a director alternate. Without limiting the other provisions set forth in these Bylaws, directors and director alternates may be elected by secret written ballot mailed to all Members prior to the annual general meeting and returned prior to the call to order of the annual general meeting to the Secretary of the Corporation. Ballots may be tallied before and/or during the annual general meeting pursuant to procedures established by the Board. For the purposes of electing directors and director alternates only, one-third of the voting power of the Members of a tier represented in person or by proxy or ballot, shall constitute a quorum for the election of directors and director alternates from its tier. If a quorum is present, those directors and director alternates receiving the most votes shall be elected to the Board. The Board may establish procedures for the nomination and election of directors and director alternates consistent with these Bylaws and the California Nonprofit Mutual Benefit Corporation Law. For further guidance, this Section should be read in conjunction with Section 7.2, including subsections (a) and (b).

(c) Designated Voting Representative. Each membership application shall list an individual from the Member designated the voting representative for the Member. The designated voting representative of a Member on the records of the Corporation at the time of a vote shall be the only individual entitled to vote on behalf of the Member upon matters put to the membership. A Member may change from time to time its designated voting representative by notifying the Corporation in writing directed to the Secretary of the Corporation. Such notice shall state the new designated voting representative and shall be effective upon receipt by the Secretary of the Corporation. The Secretary of the Corporation shall update and keep a current record of the designated voting representative for each Member.

Section 5.2 Eligibility to Vote. Members entitled to vote shall be those persons who are Members in good standing as of the record date determined under these Bylaws. In order to be in good standing, a Member must be current in the payment of all dues, fees, assessments and charges duly imposed and not be subject to termination, expulsion, sanction or suspension of voting rights.

Section 5.3 Cumulative Voting Prohibited. Cumulative voting shall not be permitted.

Section 5.4 Proxy Voting Permitted.

(a) Proxies, Generally. Each Member entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the designated voting representative of the Member and filed with the Secretary of the Corporation. A proxy shall be deemed signed if the Member's name and name of the designated voting representative of the Member are placed on the proxy by the Member or the Member's designated voting representative, whether by manual signature, typewriting, facsimile transmission, or otherwise.

(b) Solicited Proxies. If the Corporation has 100 or more Members, any form of proxy distributed to 10 or more Members shall give the Member an opportunity to specify a choice between approval and disapproval of each matter or group of related matters and, subject to reasonable specified conditions, shall provide that, when the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification. In an election of directors and director alternates, any form of proxy that a Member marks "withhold," or otherwise marks in a manner indicating that authority to vote

for the election of directors and/or director alternates is withheld, shall not be voted either for or against the election of a director and/or director alternate.

(c) Subject Matter of Proxy to Be Stated. 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. Such matters include amendments to the Articles of Incorporation; amendments to the Articles of Incorporation or Bylaws *changing proxy rights*; removal of directors and/or director alternates without cause; filling vacancies on the Board; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all corporate assets unless the transaction is in the usual and regular course of the Corporation's activities; the principal terms of a merger or the amendment of a merger agreement; the election to dissolve the Corporation; contracts or transactions between the Corporation and one or more directors or director alternates or between the Corporation and an entity in which a director or director alternate has a material financial interest; or a plan of distribution of assets to Members when the Corporation is in the process of winding up, when the distribution is not in accordance with liquidation rights of any class or classes.

(d) Expiration and Revocability of Proxies. 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 years after the date of execution. The revocability of a proxy that states on its face that it is irrevocable shall be governed by Section 7613 of the California Nonprofit Mutual Benefit Corporation Law. A validly executed proxy that does not state that it is irrevocable shall continue in full force and effect until either: (i) it is revoked by the Member executing it before the vote is cast under that proxy, (1) by a writing delivered to the Corporation stating that the proxy is revoked, (2) by a subsequent proxy executed by that Member and presented to the meeting, or (3) as to any meeting, by the Member's personal attendance and voting at the meeting; or (ii) 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.

ARTICLE VI MEMBERSHIP MEETINGS

Section 6.1 Location of Meetings. Meetings of the Members shall be held at any place within California designated by the Board or by the written consent of all Members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, Members' meetings shall be held at the Corporation's principal office. The Board may authorize Members who are not present in person or by proxy to participate by electronic transmission or electronic video communication.

Section 6.2 Electronic Meetings.

(a) If authorized by the Board in its sole discretion, and subject to the requirements of consent in Section 20(b) of the California Corporations Code 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 and to the Corporation or by electronic video screen communication, subject to the requirements of these Bylaws.

(b) 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 (i) 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 (ii) 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 a Corporation to a Member pursuant to Section 20(b) of the California Corporations Code for consent to conduct a meeting of Members by electronic transmission by and to the Corporation shall include a notice that absent consent of the Member pursuant to Section 20(b) of the California Corporations Code, the meeting shall be held at a physical location in accordance with Section 6.1 of these Bylaws.

Section 6.3 Annual Meeting. A general meeting of Members shall be held at least annually at such time and place, and on such notice, if any, as the Board may determine. Unless elected by written ballot, directors and director alternates shall be elected at this meeting. Any other proper business may be transacted at this meeting subject to the California Nonprofit Mutual Benefit Corporation Law.

Section 6.4 Special Meetings. A majority of the Board, the Chairman, or five percent or more of the Members may call special meetings of the Members at any time to consider any lawful business of the Corporation. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 6.5 Notice of Members' Meetings.

(a) Generally. All notices of meetings of Members (whether regular or special) shall be sent or otherwise given in writing to each Member entitled to vote at that meeting, in accordance with this Section. 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, and (i) in the case of a special meeting, the general nature of the business to be transacted, and no other business may in that case be transacted, or (ii) for an annual meeting, those matters which the Board, at the time of giving the notice, intends to present for action by the Members, but any proper matter may be presented at the meeting for such action so long as a quorum is present. The notice of any meeting at which directors and/or director alternates are to be elected shall include the names of all those individuals who are nominees at the time the notice is given to the Members.

(b) Special Notice Rules for Certain Material Transactions. Approval by the Members of any of the following proposals, other than by unanimous approval of those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal(s):

- (i) Removing a director and/or director alternate without cause;
- (ii) Filling vacancies on the Board under those circumstances where a vote of the Members is required pursuant to these Bylaws;
- (iii) Amending the Articles of Incorporation or these Bylaws in any manner requiring approval of the Members;

(iv) Approving a contract or transaction between the Corporation and one or more of its directors or director alternates, or between the Corporation and any corporation, firm, association or other entity in which one or more of its directors or director alternates has a material financial interest;

(v) Approving a plan of distribution of assets not in accordance with liquidation rights of any class or classes as specified in the Articles of Incorporation or these Bylaws, when the Corporation is in the process of winding up; or

(vi) Voting upon any election to voluntarily terminate and dissolve the Corporation.

(c) Mailing of Notice. Notice of any meeting of Members shall be in writing and shall be given at least 15 but no more than 90 days before the meeting date. The notice shall be given either personally, by electronic transmission by the Corporation, or by first-class, registered, or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each Member entitled to vote, at the address of that Member as it appears on the books of the Corporation or at the address given by the Member to the Corporation for purposes of notice. Notice shall be deemed to have been given at that time when delivered personally or deposited in the mail or sent by telegram or other means of written communication. If no address appears on the Corporation's books and no address has been so given, notice shall be deemed to have been given if either (i) notice is sent to that Member by first-class mail or facsimile or other written communication to the Corporation's principal office or (ii) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

(d) Electronic Notice.

(i) Notice given by electronic transmission by the Corporation shall be valid only if: (1) delivered by (a) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Corporation; (b) posting on an electronic message board or network that the Corporation has designated for those communications, together with a 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 (c) other means of electronic communication; (2) to a recipient who has provided an unrevoked consent to the use of those means of transmission for communications; and (3) that creates a record that is capable of retention, retrieval, and review, and that may thereafter be rendered into clearly legible tangible form.

(ii) Notwithstanding the foregoing:

(1) An electronic transmission by this Corporation to a Member is not authorized unless, in addition to satisfying the requirements of this Section, the consent to 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.

(2) 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 so to 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.

(e) Affidavit of Mailing. 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.

Section 6.6 Quorum Requirements.

(a) One-third of the voting power of Members, represented in person or by proxy, shall constitute a quorum for the transaction of business at a meeting of the Members. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting shall be the act of the Members. If a quorum is not present or represented at any meeting of Members, the Members entitled to vote in person or by proxy shall have power to adjourn the meeting from time to time until the requisite amount of voting power shall be present. At such adjourned meeting at which the requisite amount of voting power is represented, any business may be transacted which might have been transacted at the meeting as originally notified.

(b) The Members present at a duly held meeting at which a quorum is initially present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

(c) The quorum rules of Section 6.6(a) above, shall also apply to the conduct of written ballot voting pursuant to these Bylaws.

(d) Section 5.1(b) applies to the election of directors and director alternates.

Section 6.7 Manner of Casting Votes. Voting at a meeting may be by voice or by ballot, except that any election of directors and/or director alternates shall be conducted by written ballot if demanded by any Member at the meeting before the voting begins. Each Member entitled to vote may cast one vote on each matter submitted to a vote of the Members.

Section 6.8 Waiver of Notice or Consent by Absent Members. If decisions are made by the Members at a meeting where a quorum is present, but for which proper notice was not given to all Members for whatever reason, the decisions made at that meeting will be valid if, either before or after the meeting, each Member entitled to vote who was not present at the meeting in person or by proxy signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice, consent or approval need not specify the purpose or general nature of business to be transacted at such meeting unless action is taken or proposed to be taken on matters specified in Section 6.5(b), in which case, the waiver of notice, consent, or approval must state the general nature of the matter. All such waivers, consents or approvals shall be filed with the Corporation's records or be made 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.

Section 6.9 Action by Written Ballot Without a Meeting. Any action that may be taken at any meeting of Members may be taken without a meeting by complying with this Section.

(a) **Solicitation of Written Ballots.** The Corporation shall distribute one written ballot to each Member entitled to vote on the matter. Such ballots and any related material shall be mailed or delivered in the manner required by these Bylaws, including by electronic transmission by the Corporation that meets the requirements of these Bylaws, and responses may be returned to the Corporation by electronic transmission that meets the requirements of these Bylaws. All solicitations of votes by written ballot shall (i) state the number of responses needed to meet the quorum requirement, (ii) with respect to ballots other than for election of directors and/or director alternates, state the percentage of approvals necessary to pass the measure or measures, and (iii) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (i) set forth the proposed action, (ii) provide 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. In any election of directors and/or director alternates, a written ballot that a Member marks "withhold," or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a director and/or director alternate. If the Corporation has 100 or more Members, any written ballot distributed to ten or more Members shall provide that, subject to reasonable specified conditions, if the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification.

(b) **Requirements for Valid Action.** Approval by written ballot shall be valid only when the number of votes cast by ballot (including ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

(c) **Revocation of Written Ballots.** A written ballot may not be revoked.

(d) **Filing Ballots.** All written ballots shall be filed with the Secretary of the Corporation and maintained in the corporate records for at least six years.

Section 6.10 Action by Unanimous Written Consent. Any action required or permitted to be taken by the Members at a meeting, may be taken without a meeting (and without complying with the formalities of a written ballot) if all Members shall individually or collectively consent in writing to the action. If action is taken by written consent, the consent(s) shall be filed with the corporate minutes. The action by written consent shall have the same force and effect as a unanimous vote of the Members.

Section 6.11 Record Dates for Member Notice, Voting and Giving Consents. For the purpose of determining which Members are entitled to receive notice of any meeting, vote, act by written ballot without a meeting or exercise any rights in respect to any other lawful action, the Board may fix, in advance, a "record date." The record dates established by the Board pursuant to this Section shall:

(a) In the case of determining those Members entitled to notice of a meeting, not be more than 90 nor less than 10 days before the date of the meeting;

(b) In the case of determining those Members entitled to vote at a meeting, not be more than 60 days before the date of the meeting;

(c) In the case of determining Members entitled to cast written ballots, not be more than 60 days before the day on which the first written ballot is mailed or solicited; and

(d) In the case of determining Members entitled to exercise any rights in respect to other lawful action, not be more than 60 days prior to the date of such other action.

Unless fixed by the Board, the record date:

(a) for determining those Members entitled to receive notice of a meeting of Members, shall be the business day preceding the day on which notice is given, or, if notice is waived, the business day preceding the day on which the meeting is held;

(b) for determining those Members entitled to vote at a meeting of Members, shall be the day of the meeting, or in the case of an adjourned meeting, the day of the adjourned meeting;

(c) for determining those Members entitled to vote by written ballot on proposed Corporation actions without a meeting shall be the day on which the first written ballot is mailed or solicited; and

(d) for determining those Members entitled to exercise any rights in respect to any other lawful action, shall be Members at the close of business on the day on which the Board adopts the resolution relating thereto, or the 60th day prior to the date of such other action, whichever is later.

For purposes of this Section, a person holding a membership as of the close of business on the record date shall be deemed the Member of record.

Section 6.12 Adjournment; Notice. 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. No meeting may be adjourned for more than 45 days. When a Members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned (or the means of electronic transmission by and to the Corporation or electronic video screen communication, if any, by which Members may participate) are announced at the meeting at which adjournment is taken. 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. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

ARTICLE VII BOARD OF DIRECTORS

Section 7.1 General Corporation Powers. Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law and any limitations in the Articles of Incorporation and these Bylaws relating to action required to be approved by the Members, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board. The Board may delegate the management of the activities of the Corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. The Board may, in its discretion, provide for the hiring, compensation, supervision, discipline and firing of paid staff pursuant to applicable laws.

Section 7.2 Number of Directors; Qualifications; Voting Power.

(a) Number of Directors and Qualifications. The authorized number of directors shall be seven persons, and there shall be seven director alternates. Directors and director alternates shall be elected from among the Members in good standing, and each director and director alternate may serve during his or her term for so long as his or her respective Member remains a Member in good standing and for so long as the director or director alternate remains affiliated with the Member, subject to the provisions of these Bylaws, including Section 7.2(b) below governing director and director alternate voting power. Directors and director alternates ceasing to be qualified shall be automatically removed from office, and no further action or resolution of the Board or Members shall be required. Director alternates for Tiers 1 and 2 may be elected from the same Member as the director for whom they are an alternate and from the same Member as other directors and director alternates from the same tier; however, diverse Tier 2 Member representation is encouraged through directors and director alternates being elected from different Members, provided however that such is not a requirement.

(b) Voting Power. For the avoidance of doubt, as a result of the voting rules set forth in Section 5.1(b) and the staggered board structure set forth in Section 7.3, each director will have an alternate with the same term (for the purposes hereof, the “first alternate” or “first director alternate”). The voting power of each director shall be equal. Each director shall have one vote. First director alternates or substitutes for first director alternates shall be entitled to vote only if the director, and first director alternate in the case of a first director alternate substitute, for whom they are an alternate or substitute is absent from the meeting or otherwise unavailable to vote on an issue. For the avoidance of doubt, a director alternate may vote as a substitute director alternate for a director from the same tier for whom they are not an alternate and such director’s alternate with the same term when both are absent from the meeting or otherwise unavailable to vote on an issue. In such an event, the director alternate from the same tier who received the most votes shall vote. If such director alternate from the same tier who received the most votes is not available to vote because he or she is already voting, absent from the meeting, or otherwise unavailable to vote on an issue, the alternate from the same tier receiving the second highest vote count shall vote. If such alternate is also unavailable, then the alternate from the same tier receiving the third highest vote count shall vote. The foregoing alternate priority shall apply to director alternates from Tiers 1 and 2 and is not applicable to Tier 3 as Tier 3 has one alternate.

Section 7.3 Term of Office. At the first annual meeting following adoption of these Bylaws, the directors and director alternates shall be elected and divided into three approximately equal groups - each group must include one director and one director alternate from Tier 1 and Tier 2 - and designated by the Board to serve one, two, or three year terms. Thereafter, the term of office of each director and each director alternate shall be three years. Each director and each director alternate, including a director or director alternate elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that director’s or director alternate’s earlier resignation or removal in accordance with these Bylaws and the California Nonprofit Mutual Benefit Corporation Law. Directors and director alternates may be elected for an unlimited number of consecutive terms.

Section 7.4 Vacancies.

(a) Vacancies, Generally. A vacancy or vacancies on the Board shall occur in the event of (i) the death, removal, or resignation of any director or director alternate; (ii) the declaration by Board resolution of a vacancy in the office of a director or director alternate who has been declared of unsound

mind by a court order, convicted of a felony, or, if the Corporation holds assets in charitable trust, found by a final order or judgment of any court to have breached a duty arising under the California Nonprofit Mutual Benefit Corporation Law Section 7238; (iii) the vote of the Members or, if the Corporation has fewer than 50 Members, the vote of a majority of all Members, to remove any director(s) or director alternate(s); provided that any director or director alternate elected by the vote of Members of a tier, voting as such, rather than by the Members of the Corporation, may be removed only by the vote of that unit, subject to the automatic removal provisions of Section 7.2 of these Bylaws; (iv) an increase in the authorized number of directors (which triggers an automatic increase in the authorized number of director alternates); or (v) a failure of the Members, at any meeting of Members at which any director and/or director alternates are to be elected, to elect the number of directors and/or director alternates required to be elected at that meeting. Any reduction of the authorized number of directors shall not result in any directors being removed before his or her term of office expires. Should a vacancy on the Board occur, the director's first alternate shall automatically assume the Board seat and a new alternate may be appointed or elected.

(b) Resignation of Directors. Except as provided below, any director or director alternate may resign by giving written notice to the Chairman or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's or director alternate's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes effective.

(c) Removal of Directors. The entire Board or any individual director or director alternate may be removed from office as provided by the California Corporations Code. Any director who does not attend three consecutive Board meetings will automatically be removed from the Board without Board resolution unless: (i) the director requests a leave of absence for a limited period of time, and the leave is approved by the directors at a regular or special meeting (if such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is or is not present); (ii) the director suffers from an illness or disability which prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this subsection; or (iii) the Board by resolution of the majority of Board members agrees to reinstate the director who has missed three meetings.

(d) Vacancies Filled by Board. Except for a vacancy created by the removal of a director by the Members, vacancies on the Board or in alternate director slots may be filled by the Board or, if the number of directors then in office is less than a quorum, by (i) the unanimous written consent of the directors then in office, (ii) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with the California Nonprofit Mutual Benefit Corporation Law Section 7211, or (iii) a sole remaining director.

(e) Vacancies Filled by Members. The Members of a tier may elect a director or director alternate at any time to fill any vacancy on the Board or in a director alternate slot from their respective tier not filled by the directors by the next term by an election conducted at a duly held meeting of the Members at which a quorum is present or by written ballot; provided however, should a vacancy on the Board occur, the director's first alternate shall automatically assume the Board seat and a new alternate may be appointed or elected pursuant to these Bylaws.

Section 7.5 Compensation. Directors, director alternates, officers and members of committees shall not be entitled to compensation for their services as such, although they may be

reimbursed for such actual expenses as may be determined by resolution, or a policy, of the Board to be just and reasonable.

ARTICLE VIII BOARD MEETINGS

Section 8.1 Place of Meetings; Meetings by Telephone. Meetings, regular or special, of the Board shall be held at any place within California that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the principal office of the Corporation. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another, communicate concurrently, and have 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 by the Corporation, and all such directors shall be deemed to be present in person at such meeting.

Section 8.2 Annual Meeting of Directors. Immediately following each annual meeting of Members, the Board shall hold a regular meeting for the purpose of organization, election of officers, and the transaction of other business. Notice of this meeting shall not be required.

Section 8.3 Special Meetings of the Board. Special meetings of the Board for any purpose may be called at any time by the Chairman, Vice Chairman, Secretary or any two directors.

(a) **Manner of Giving Notice.** Notice of the time and place of special meetings of the Board shall be given to each director by one of the following methods: (i) by personal delivery of written notice; (ii) by first-class mail, postage prepaid; (iii) by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, or by electronic transmission, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director; (iv) by telegram, charges prepaid; (v) by facsimile; (vi) by electronic mail; or (vii) by other electronic means. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Corporation. Notice of a meeting need not be given to any director who signed a written waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof. Notices sent by first-class mail shall be deposited into a United States mailbox at least four days before the time set for the meeting. Notices given by personal delivery, telephone, telegraph, or electronic transmission shall be delivered, telephoned, or sent at least 48 hours before the time set for the meeting. The notice shall state the time of the meeting and the place, if the place is other than the Corporation's principal office. The notice need not specify the purpose of the meeting. Notwithstanding any other provision herein, any and all notices, agendas, reports and/or minutes given to directors shall also be simultaneously given to each director alternate.

Section 8.4 Quorum Requirements. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 8.7. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors below a quorum, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 8.5 Waiver of Notice. The transaction of any meeting of the Board however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present, individually or collectively, signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. 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 meeting and shall have the same force and effect as a unanimous vote of the Board. The requirement of notice of a meeting shall also be deemed to have been waived by any director who attends the meeting without protesting before or at its commencement about the lack of notice.

Section 8.6 Adjournment. A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place or may adjourn for purposes of reconvening in executive session to discuss and vote upon personnel matters, litigation in which the Corporation is or may become involved and orders of business of a similar nature; provided, however, that adjournment to executive session can only be effected by approval of a majority of a quorum of the Board. If the meeting is adjourned for more than 24 hours, notice of adjournment to any other time or place shall be given prior to the time of the adjourned meeting to the directors and director alternates who are not present at the time of the adjournment. Except as hereinabove provided, notice of adjournment need not be given.

Section 8.7 Action Without a Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 8.8 Proxy Voting Prohibited. Directors may not vote by proxy.

ARTICLE IX COMMITTEES OF THE BOARD

Section 9.1 Board Committees. The Board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of two or more directors and no one who is not a director, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the directors then in office. The Board may appoint one or more directors as alternate members of any such committee, who may replace any absent Member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board resolution, except that no committee may do the following: (a) take any final action on any matter that, under the California Nonprofit Mutual Benefit Corporation Law, also requires approval of the Members or approval of a majority of all Members; (b) fill vacancies on the Board or any committee of the Board; (c) amend or repeal bylaws or adopt new bylaws; (d) amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable; (e) create any other committees of the Board or appoint the members of committees of the Board; (f) expend corporate funds to support a nominee for director or director alternate if more people have been nominated for director and alternate positions than can be elected; or (g) approve any contract or transaction to which the Corporation is a party and in which one or more of its directors or director alternates has a material financial interest. The Board may, at any time, revoke or modify any or all of the authority that the Board has delegated to any committee, including disbanding any committee; increase or decrease (but not below two) the number of

members of a committee; and fill vacancies in a committee from the members of the Board. The Board may also create, and disband, one or more advisory committees.

Section 9.2 Advisory Committees. The Board may create one or more advisory committees to serve at the pleasure of the Board and to advise the Board on the matters identified by Board resolution for the advisory committee's consideration. Appointees to such advisory committees need not, but may, be directors; except that the Board shall appointment, by majority vote of the directors then in office, any advisory committee chair from among the directors then in office or from the Members, and such appointment shall be in the sole discretion of the Board. The Board shall appoint and discharge advisory committee members. All actions and recommendations of an advisory committee shall require ratification by the Board before being given effect.

Section 9.3 Committee Meetings. Meetings and actions of committees of the Board shall be governed by, held, and taken under the provisions of these bylaws concerning meetings and other Board actions, except that the time for general meetings of Board committees and the calling of special meetings of Board committees may be set either by Board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The Board may adopt rules for the governance of any committee as long as the rules are consistent with these Bylaws. If the Board has not adopted rules, the committee may do so.

ARTICLE X OFFICERS

Section 10.1 Officers. The officers of the Corporation shall be a Chairman, a Vice Chairman, a Secretary and a Treasurer. The officers shall be elected from among the duly elected directors. The Board shall have the power to designate an Assistant Secretary and Assistant Treasurer to assist the Secretary and Treasurer in the performance of their duties. The Assistant Secretary and Assistant Treasurer need not be directors, and shall have such duties, powers, titles and privileges as the Board may fix. The Board may empower the Chairman to appoint and remove such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board from time to time may determine. Any number of offices may be held by the same person, except that the Secretary and the Treasurer may not serve concurrently as the Chairman.

Section 10.2 Election, Removal and Resignation of Officers. The officers of the Corporation shall be chosen annually by majority vote of the Board at its first regular meeting following the annual meeting of the Members or the election of directors, and each shall hold his or her office until he or she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified. Without prejudice to the rights of any officer under an employment contract, the Board may remove any officer with or without cause. Any officer who was not chosen by the Board may be removed by any other officer on whom the Board confers the power of removal. Any officer may resign at any time by giving written notice to the Board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the Corporation under any contract to which the officer is a party.

Section 10.3 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled as soon as practicable in the manner prescribed in these

bylaws for normal appointments to that office; vacancies need not exist until the next annual meeting of the Board.

Section 10.4 Chairman. The Chairman shall be elected by the Board from among the directors. He or she shall preside at all meetings of the Board and Members, and shall have the general power and duties of management usually vested in the office of president of a corporation, together with such other powers and duties as may be prescribed by the Board, the Bylaws, or any officer policy. In the absence of a General Manager, he or she shall be the general manager of the Corporation and shall, subject to the control of the Board, have general supervision, direction and control of the affairs and paid staff of the Corporation.

Section 10.5 Vice Chairman. The Vice Chairman shall be elected by the Board from among the directors. In the absence or disability of the Chairman, the Vice Chairman shall perform all the duties of the Chairman and when so acting shall have all the powers of, and be subject to all the restrictions upon, the Chairman. He or she shall have such other powers and perform such other duties as from time to time may be prescribed by the Board, the Bylaws, or any officer policy.

Section 10.6 Secretary. The Secretary shall keep or cause to be kept at the principal office or such other place as the Board may direct, all policies of the Corporation and resolutions of the Board, committees and Members, and a book of minutes of all meetings of directors, committees and Members, with the time and place of holding the same, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of Members present in person or by proxy at Members' meetings, and the proceedings thereof. The Secretary shall keep or cause to be kept, at the principal California office, a copy of the Articles of Incorporation and Bylaws, as amended to date. The Secretary shall keep, or cause to be kept, appropriate current records showing the names, classes of membership, and addresses of the Members of the Corporation. He or she shall give, or cause to be given, notice of all meetings of the Board required by the Bylaws or by law to be given (and any and all notices, agendas, reports and/or minutes given to directors shall also be simultaneously given to each director alternate), and he or she shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board, the Bylaws, or any officer policy. The Secretary may appoint, with the approval of the Board, and oversee, a staff person to serve as Assistant Secretary.

Section 10.7 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 accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The Treasurer shall timely file, or cause to be timely filed, all appropriate political campaign finance reports, and shall keep and maintain, or cause to be kept and maintained, copies of such reports in the financial records. The Treasurer shall send or cause to be given to the Members and directors (including director alternates) such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books and records shall at all reasonable times be open to inspection by any director, director alternate or Member. The Treasurer shall deposit, or cause to be deposited, all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. He or she shall disburse the funds of the Corporation as may be ordered by the Board, shall render to the Chairman and directors whenever they request it, an account of all of his or her transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board, the

Bylaws, or any officer policy. The Treasurer may appoint, with the approval of the Board, and oversee, a staff person to serve as Assistant Treasurer.

Section 10.8 General Manager. The Board may, from time to time, employ the services of a manager, including a management company, to manage the affairs of the Corporation and, to the extent not inconsistent with the laws of the State of California, and upon such conditions as are otherwise deemed advisable by the Board, the Board may delegate to the manager any of its day-to-day management and maintenance duties and powers under these Bylaws, provided that the manager shall at all times remain subject to the general control of the Board. The manager shall also be tasked with timely and regularly briefing director alternates on Board and Corporation business, interests, issues and decisions.

ARTICLE XI INDEMNIFICATION

Section 11.1 Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its directors (including director alternates for the purposes of this Article), officers, employees, and other persons described in Section 7237(a) of the California Nonprofit Mutual Benefit Corporation Law, including persons formerly occupying any such position, against all expenses, judgments, fines, settlement, 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 this Article, shall have the same meaning as in Section 7237(a) of the California Nonprofit Mutual Benefit Corporation Law.

Section 11.2 Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Nonprofit Mutual Benefit Corporation Law, the Board shall promptly determine under Section 7237(e) of the California Nonprofit Mutual Benefit Corporation Law whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification 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 Members. At that meeting, the Members shall determine under Section 7237(e) whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Members present at the meeting in person or by proxy shall authorize indemnification.

Section 11.3 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 Sections 11.1 and 11.2 of 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 11.4 Insurance. The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other

agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such.

ARTICLE XII FINANCES

Section 12.1 Checks. All checks or demands for money and notes of the Corporation shall be signed by the Chairman and Treasurer, or by such other officer or officers or such other person or persons as the Board may from time to time designate.

Section 12.2 Accounts. The Board shall maintain such accounts as it shall deem necessary to carry out its purposes.

Section 12.3 Budgets and Financial Statements. The following financial statements and related information for the Corporation shall be regularly prepared and copies thereof shall be distributed to each Member of the Corporation. The budget and annual report will include separate line items for the optional additional purposes under Section 3.3 of these Bylaws.

(a) Budget. A budget for each fiscal year consisting of at least the following information shall be distributed to Members prior to the beginning of the fiscal year and no later than December 1:

- (i) Estimated revenue and expenses.
- (ii) The amount of the total cash reserves of the Corporation currently available.
- (iii) A list of all respective dues, fees, and assessments for the fiscal year.

Once adopted, the budget categories shall not be exceeded without a budget amendment approved by the Board. In the case of a budget amendment, there may be an assessment, fee or charge. Upon learning of the assessment, fee or charge, a Member may withdraw subject to the provisions of these Bylaws.

(b) Annual Report. Within 120 days after the close of the fiscal year, a year-end report consisting of at least the following shall be distributed to Members:

- (i) A balance sheet as of the end of the fiscal year, an operating (income) statement for the fiscal year, and a statement of cash flows for the fiscal year;
- (ii) A statement advising Members of the place where the names and addresses of the current Members are located; and
- (iii) Any information required to be reported under Section 8322 of the California Nonprofit Mutual Benefit Corporation Law requiring the disclosure of certain transactions in excess of \$50,000 per year between the Corporation and any director, director alternate or officer of the Corporation and indemnifications and advances to officers, directors or director alternates in excess of \$10,000 per year.

The annual report shall be prepared by an independent accountant for any fiscal year in which the gross income of the Corporation exceeds \$75,000.00. If the annual report is not prepared by an independent accountant, it shall be accompanied by the certificate of an authorized officer of the Corporation that the statement was prepared without an audit from the books and records of the Corporation.

Section 12.4 Fiscal Year. The fiscal year for the Corporation shall be calendar year.

ARTICLE XIII MISCELLANEOUS

Section 13.1 Inspection of Books and Records.

(a) Inspection by Members of Membership Records.

(i) Unless the Corporation provides a reasonable alternative as provided below, any Member may do either or both of the following for a purpose reasonably related to the Member's interest as a Member:

(1) **Inspect and copy the records containing Members' names, addresses, and voting rights during usual business hours on 5 days' prior written demand on the Corporation, which must state the purpose for which the inspection rights are requested; or**

(2) **Obtain from the Secretary of the Corporation, on written demand and tender of a reasonable charge, a list of names, addresses, and voting rights of Members who are entitled to vote for directors and director alternates as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the Member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the Member on or before the later of 10 days after the demand is received or the date specified in the demand as the date as of which the list is to be compiled.**

(ii) The Corporation 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 list. 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.

(iii) If the Corporation 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 the membership list.

(iv) Any inspection and copying under this Section may be made in person or by the Member's agent or attorney. The right of inspection includes the right to copy and make extracts.

(b) Inspection by Members of Accounting Records and Minutes. On written demand on the Corporation, any Member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the Members, the Board, and committees of the Board at any reasonable time for a purpose reasonably related to the Member's interest as a Member. Any such inspection and copying may be made in person or by the Member's agent or attorney.

(c) Inspection by Members of Articles and Bylaws. This Corporation shall keep at its principal California office the original or a copy of the Articles of Incorporation and Bylaws, as amended to date, that shall be open to inspection by the Members at all reasonable times during office hours.

(d) Rules Regarding Exercise of Inspection Rights by Members. The Board may establish reasonable rules with respect to (i) notice of inspection, (ii) hours and days of the week when inspection may be made, and (iii) payment of the cost of reproducing copies of documents requested by the Member.

(e) Inspection by Directors. Every director and director alternate shall have an absolute right at any reasonable time to inspect all books, records, documents and minutes of the Corporation and the physical properties owned by the Corporation. The right of inspection by a director or a director alternate includes the right to make extracts and copies of documents.

Section 13.2 Contracts with Directors. No director or director alternate of this Corporation nor any other corporation, firm, association, or other entity in which one or more of this Corporation's directors or director alternates are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Corporation unless (a) the material facts as to the transaction and such director's or director alternate's interest are fully disclosed or known to the Members and such contract or transaction is approved by the Members in good faith, with any membership owned by any interested director or director alternate not being entitled to vote thereon, or (b) the material facts regarding such director's or director alternate's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all Board members before consideration by the Board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the vote of the interested director.

Section 13.3 Corporate Seal. The Corporation may have a seal in circular form having within its circumference the words "Sacramento River Settlement Contractors" and the date of incorporation.

Section 13.4 Contracts and Other Instruments - How Executed. The Board, except as otherwise provided in the Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or to any amount.

Section 13.5 Statement of General Information. As and when required by Section 8210 of the California Nonprofit Mutual Benefit Corporation Law, the Corporation shall file with the Secretary of State of the State of California, on the prescribed form, a statement of information setting forth the authorized number of directors, the names and complete business or residence addresses of all incumbent directors, the names and complete business or residence addresses of the officers, the street address of its principal office in this state, together with a designation of the agent of the Corporation for the purpose of service of process.

Section 13.6. Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit 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 as defined in the California Nonprofit Corporation Law.

ARTICLE XIV AMENDMENTS

Section 14.1 Board Amendment of Bylaws. Subject to the Members' rights under these Bylaws and California Nonprofit Mutual Benefit Corporation Law, the Board may adopt, amend, or repeal bylaws unless doing so would materially and adversely affect the Members' rights as to voting, dissolution, or transfer; effect an exchange, reclassification, or cancellation of all or part of the memberships; or authorize a new class of membership.

Section 14.2 Changes to Number of Directors. Once Members have been admitted to the Corporation, the Board may not, without the Members' approval, specify or change any bylaw that would fix or change the authorized number of directors; fix or change the minimum or maximum number of directors; or change from a fixed number of directors to a variable number of directors or vice versa. This Section applies equally to number of director alternates.

Section 14.3 When Members' Approval Required. Without the approval of the Members, the Board may not adopt, amend, or repeal any bylaw that would increase or extend the terms of directors or director alternates; allow any director or director alternate to hold office by designation or selection rather than by election by the Members; increase the quorum for Members' meetings; repeal, restrict, create, expand, or otherwise change proxy rights; or authorize cumulative voting.

Section 14.4 Members May Adopt, Amend, or Repeal Bylaws.

(a) New bylaws may be adopted or these Bylaws may be amended or repealed by approval of the Members, provided, however, that any such adoption, amendment, or repeal also requires approval by the Members of a class if that action would materially and adversely affect the rights, privileges, preferences, restrictions, or conditions of that class as to voting, dissolution, or transfer in a manner different than the action affects another class; materially and adversely affect that class as to voting, dissolution, or transfer by changing the rights, privileges, preferences, restrictions, or conditions of another class; effect an exchange, reclassification, or cancellation of all or part of the memberships of that class; or authorize a new class of memberships.

(b) Any provision of these Bylaws that requires the vote of a larger proportion of the Members than otherwise is required by law may not be altered, amended, or repealed except by vote of that greater number. No amendment may extend a director's or director alternate's term beyond that for which the director or director alternate was elected.

(c) Any provision of these Bylaws providing for the designation or selection, rather than election, of any director or director alternate may be adopted, amended, or repealed only by approval of the Members, subject to the consent of the person or persons entitled to designate or select any such directors or director alternates.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Sacramento River Settlement Contractors, a California nonprofit mutual benefit corporation; that these bylaws, consisting of 22 pages, are the bylaws of this corporation as adopted by the Board of Directors on 1/28/16; and that these bylaws have not been amended or modified since that date.

Executed on 3/11/16, at Colusa, California.



Signature
JOHN BRENNAN

Print Name