



YUROK TRIBE

190 Klamath Boulevard • Post Office Box 1027 • Klamath, CA 95548



CHARTER AND BYLAWS OF THE YUROK AGRICULTURAL CORPORATION

PREAMBLE

- WHEREAS,** The Yurok Tribe is a federally recognized Indian Tribe; and
- WHEREAS,** The mission of the Yurok Tribe is to exercise the aboriginal and sovereign rights of the Yurok People to continue forever our Tribal traditions of self-governance, cultural and spiritual preservation, stewardship of Yurok Lands, waters and other natural endowments, balanced social and economic development, peace, and respect for the dignity and individual rights of all persons while honoring our Creator, our ancestors and our descendants; and
- WHEREAS,** The Yurok Agricultural Corporation is governed by a 5 member-board appointed by the Yurok Tribal Council; and
- WHEREAS,** The Yurok Tribal Council has determined that it is necessary for the Yurok Tribe to organize and charter under Tribal Law an economic development corporation that will serve as the Tribe's agricultural economic development entity, receiving and managing for the benefit of the Tribe certain Tribal agricultural properties, contracts, and businesses and resources to be in compliance with the Yurok Agricultural Code to include the Yurok Tribe Hemp Plan, and as specifically granted to that entity by lawful act of the Tribal Council; and
- WHEREAS,** This agricultural economic development entity shall be organized as a tribally chartered and owned corporation and shall, along with any other such entities organized and chartered by the Yurok Tribal Council exercise the commercial responsibilities, powers and rights of the Tribe as they are conferred and recognized by law upon all Indian Tribes recognized by the government of the United States of America; and

WHEREAS,

This agricultural economic development entity shall be separate in its management from the Yurok Tribal Council, but not separate from the Yurok Tribe, and shall be considered a separate division of the Yurok Tribe;

NOW THEREFORE BE IT RESOLVED THAT: Pursuant to its inherent sovereign governmental authority, the Yurok Tribal Council hereby charters the Yurok Agriculture Corporation to serve as its agricultural economic development entity and adopts these bylaws of the Yurok Agriculture Corporation.

BE IT FURTHER RESOLVED: That the Chairperson is hereby authorized to execute the Agreement attached to this resolution and any amendments or changes thereto.

BE IT FURTHER RESOLVED: That the Chairperson is hereby authorized to sign this resolution and to negotiate all matters pertaining hereto and that the Council Secretary is authorized to attest.

C*E*R*T*I*F*I*C*A*T*I*O*N


This is to certify that this Resolution Number 19-71 was approved at a duly called meeting of the Yurok Tribal Council on July 25, 2019, at which a quorum was present and that this Resolution Number 19-71 was adopted by a vote of 7 for and 0 opposed and 0 abstentions in accordance with Article IV, Section 5(j) of the Constitution of the Yurok Tribe. This Resolution Number 19-71 has not been rescinded or amended in any way.

DATED THIS 25th DAY OF JULY, 2019



Joseph L. James, Chairman
Yurok Tribal Council

ATTEST:



Mindy Natt, Secretary
Yurok Tribal Council

ARTICLE 1 DEFINITONS

- 1.1 DEFINITIONS: When used in this Charter, the following terms shall have the following respective meanings, unless a different meaning clearly appears from the context.
- 1.2 "Applicable" in the term an "applicable law" means: governing the Yurok Agricultural Corporation ("YAC"), its assets or activities, or the activities of its agents or employees while engaged in the affairs of the YAC by virtue of federal or Tribal law. The Yurok Tribal Court shall have jurisdiction over all claims, disputes or suits authorized to be brought against the YAC.
- 1.3 "Assets" means: the assets of the YAC.
- 1.4 "Board of Directors" or "Board" means: the Board of Directors of the YAC.
- 1.5 "Director" means: a member of the Board of Directors of the YAC.
- 1.6 "Tribal Council" or "Council" means: the elected Tribal Council of the Yurok Tribe, the federally recognized governing body of the Tribe.
- 1.7 "Bylaws" means: such bylaws of the YAC as may be adopted under this Charter.
- 1.8 "Corporate Executive Officer" means: The Corporate Executive Officer (herein after "CEO") oversees the management, financial, and staff functions of the Yurok Agricultural Corporation (YAC), and all member companies including subsidiaries, and future business enterprises assigned, acquired or developed. The CEO will work closely with the Board of Directors and executive management team to establish long rang goal strategies, plans and policies.
- 1.9 "Charter" means: this Charter.
- 1.10 "Constitution" means: the Constitution and Bylaws of the Yurok Tribe.
- 1.11 "Contract" means: any written agreement for the exchange of consideration.
- 1.12 "Law" in the term "applicable law" means:
- 1.12.1 any treaty, executive order, act of congress, final decision of the federal courts, and federal administrative regulations and orders now or hereafter in force; and
- 1.12.2 Final decision of the Tribal Court, Tribal Constitutional provisions, Tribal ordinances, resolutions, codes and administrative regulations, customs and traditions, and orders, now or hereafter in force.

- 1.13 "Obligations" means: any notes, bonds, interim certificates, debentures, guarantees or other evidence of indebtedness issued or incurred by the YAC.
- 1.14 "Officer" means: an officer of the YAC elected from the Board of Directors, including a president, and vice-president and such other officers as the Board deems necessary and in such a manner as is described in the Bylaws. The President of the YAC Board shall be a member of the Yurok Tribal Council.
- 1.15 "YAC" means: the Yurok Agricultural Corporation.
- 1.16 "Proxy" means: a person authorized with the power to vote in a Board of Directors meeting for the Director, so long as there is a written power of attorney authorizing a specified person to be the Director's proxy. For all Councilmember Directors, the authorized proxy must be an alternate Councilmember. For all tribal member proxy, the authorized proxy must be a tribal member.
- 1.17 "Purposes" means: the purposes for which the YAC is organized and shall operate pursuant to this Charter.
- 1.18 "Reservation" means: the Reservation and all lands, waters and any interests therein, notwithstanding the issuance of any patent or right-of-way, which are recognized by the federal government as Yurok Reservation or lands held in Trust by the federal government for the benefit of the Yurok Tribe or its members and managed as though they were a Reservation.
- 1.19 "Section" and "Subsection" means: respectively, a Section or Subsection of this Charter.
- 1.20 "Tribal Court" means: a court which is established by the Yurok Tribal Council pursuant to its Constitutional authority.
- 1.21 "Tribe" means and "Tribal" refers to: the Yurok Tribe, whose address is _____. All agreements, approvals, consents, authorizations, appointments or similar actions to be taken, given or made by the Tribe under this Charter shall be manifested by or based on an authorized resolution, or motion of the Yurok Tribal Council.

ARTICLE 2 IDENTITY AND LOCATION

- 2.1 **AUTHORITY:** the Corporation is chartered by the Yurok Tribe in accordance with Article I, Section 4 of the Constitution of the Yurok Tribe.
- 2.2 **NAME:** The official name of this tribally chartered and owned economic corporation shall be "Yurok Agricultural Corporation, hereinafter referred to as the "YAC."

- 2.3 LOCATION: The YAC shall be located within the exterior boundaries of the Yurok Reservation, with its headquarters in Klamath, Del Norte County, California, and its mailing address at. The YAC shall conduct its principal affairs within Del Norte and Humboldt Counties. Business activities may be conducted elsewhere.
- 2.4 DURATION: The YAC shall continue until it is dissolved in accordance with provisions of this Charter.
- 2.5 ATTRIBUTES: the YAC is a Tribal subordinate, wholly-owned economic subdivision of the Yurok Tribe and may be delegated the right to exercise one or more of the substantial economic development functions of the Yurok Tribe government. It is the purpose and intent of the Yurok Tribal Council, in enacting this Charter, that the operations of the YAC be conducted on behalf of the Tribe for the sole benefit and interests of the Tribe and communities situated within the aboriginal territory of the Yurok People. In carrying out its purposes under this Charter, the YAC shall function as an economic development arm of the Tribe managing all agricultural economic development including Yurok Tribe Hemp Plan businesses for the Tribe. YAC
- 2.6 COMPLIANCE WITH TRIBAL LAW: As a wholly-owned Economic Development subdivision of the Yurok Tribe, the YAC shall be subject to and fully comply with all Tribal laws, including the Yurok Constitution, all Tribal resolutions, regulations, ordinances, codes and referenda, as now or hereafter enacted or amended, unless explicitly made exempt. In carrying out its purposes and exercising its powers under this Charter, the YAC shall comply in all respects with the Yurok Tribe Hemp Plan, Tribal Employment Rights Policy and/or Ordinance of the Yurok Tribe. At the sole discretion of the Yurok Tribal Council, YAC activities in whole or in part may be exempted from Tribal Employment Right Policy and/or Ordinance fee requirements.

ARTICLE 3 PURPOSE

- 3.1 PURPOSE: The primary purpose of the Charter is to establish and authorize the YAC as a separate and distinct Management entity from the Tribal Council with respect to income producing enterprises owned by the Tribe. Statements of the other principal purposes follow.
- 3.1.1 To develop agricultural economic resources in an orderly manner and to maximize revenue derived from such resources on behalf of the Tribe and its members;
- 3.1.2 To provide for the separation of the Tribe's enterprise management systems from Tribal political processes;
- 3.1.3 To provide opportunities for investing resources in future enterprises that is culturally appropriate, environmentally sustainable, economically viable, technologically efficient, financially profitable, and consistent with the self-governance objectives of the Tribe;

- 3.1.4 To generate governmental revenues for the Yurok Tribe and people;
- 3.1.5 To stimulate the growth of the entity, for the first 5 years, YAC shall reinvest all profits back into YAC and the growth of the company. After five years, the YAC profit share agreement shall be written for that fiscal year addressing the needs of the viability of YAC first, and YAC shall establish a Tribal dividend policy with a goal to invest 20% of its profit to support the Yurok Tribe's government and governmental functions to be determined annually.
- 3.1.6 To administer other programs identified by Resolution of the Yurok Tribal Council that do not compete with the Yurok Tribal Council and that contribute to the employment of Tribal members and the communities in which they live;
- 3.1.7 To further economic development, industry and labor within the Tribal jurisdiction as provided for in the Act of June 25, 1910, 36 Stat. 861 (25 USC 47, Buy Indian), Section 1 of the Act of May 9, 1938, 52 Stat. 302 (25 USC 306, Promotion of Social and Economic Welfare) and other federal laws supporting economic development in Indian Country; and
- 3.1.8 To do all activities which have been approved in the YAC annual and general Agricultural plans as approved by the YAC and Yurok Tribal Council.
- 3.1.9 To develop as necessary business and other appropriate relationships with State, Federal, County, Tribal and non-governmental entities to further the objective of the YAC.

ARTICLE 4 AUTHORIZATION

- 4.1 AUTHORITY: The YAC is a Tribal entity that is organized, chartered and wholly owned by the Yurok Tribe.

ARTICLE 5 OWNERSHIP AND IMMUNITIES

- 5.1 OWNERSHIP: The YAC shall be established and wholly owned by the Yurok Tribe.
- 5.2 IMMUNITIES: Although the management of the YAC shall be separate and distinct from the Yurok Tribal Council, the YAC shall possess all immunities from suit and other proceedings as are possessed by the Tribe. With the exception of those immunities waived pursuant to this Charter or other Tribal statutory law, the YAC shall possess all immunities from federal, state and local governmental authority as are possessed by the Tribe.

ARTICLE 6 STRUCTURE AND MANAGEMENT

- 6.1 BOARD OF DIRECTORS: The YAC Board of Directors, shall consist of (5) five voting members: (2) two of which shall be filled by members of the Yurok Tribal Council, (3)

three additional members, of which one shall be a Tribal Member. The Yurok Council will appoint the Board of Directors per the Yurok Constitution and laws. In the event that one or more of the Board member seats are vacant, the YAC shall be allowed to operate until such time as new members can be appointed to the vacant seats in accordance with the procedures laid out herein. Two members of YAC shall have professional knowledge of the industry or corporation. The President shall be elected by the YAC Board of Directors, unless the Chairman is appointed, in which case he shall be the President pursuant to the Yurok Constitution.

- 6.2 TRIBAL COUNCIL LIASON: Any or all of the Yurok Tribal Council Members may attend any meeting of the YAC in order to establish and maintain a high level of communication and coordination between the Tribal Council and the activities of the YAC.
- 6.3 ELIGIBILITY AND QUALIFICATIONS OF DIRECTORS: No member of the YAC Board of Directors shall be employed by the YAC in any paid capacity. No more than one (1) member of an immediate family as defined by Tribal Law shall serve on the Board of Directors. In selecting members of the Board of Directors, the Tribal Council shall give due consideration to the following:
 - 6.3.1 The experience, industry, responsibility, integrity, judgment and sensitivity to the unique Indian culture, social and environmental conditions, and the agricultural economic development goals of the Tribe.
 - 6.3.2 The need for diversity of experience on the Board of Directors; and
 - 6.3.3 The need for adequate expertise in, and understanding of, the various businesses managed by the YAC.
- 6.4 DUTIES AND POWERS: The Board of Directors shall have management Board level control of the business and affairs of the YAC. The Directors shall in all cases act as a Board regularly convened; and in the transaction of business, the act of a majority present at a meeting shall be the act of the Board provided a quorum is present. The Directors may adopt such rules and regulations for the conduct of their meetings and the management of the YAC as they may deem proper, provided they are consistent with this Charter and Tribal Law and are approved by the Tribal Council. No individual Board member shall have authority to take action without formal approval of the Board of Directors.
- 6.5 TERM: Each Board of Director shall serve a term of 4 years from the date of the appointment, except for council members. Each duly appointed Council member of the Board of directors shall serve only so long as they are on council unless and until there is an additional appointment after leaving office by Tribal Council in compliance with the rules of appointment under the Yurok Constitution. Each duly appointed member of the Board of Directors shall serve until the selection of a successor. Term limit is 12 years. Directors may be appointed again after a 4 year term off of the Board of Directors. The date on which each Director's term expires, unless sooner terminated by resignation or

removal in accordance with the Bylaws or the YAC.

- 6.6 VACANCIES: Whenever the number of Directors shall for any reason be fewer than the number fixed by this Chapter, vacancies shall be filled by recommendation provided to the Tribal Council pursuant to the Constitution of the Yurok Tribe. Each Director so appointed to fill a vacancy shall hold office for the remainder of the term of the position vacated.
- 6.7 OFFICERS: The officers of the YAC shall be President and Vice-President. All officers shall be members of the Board of Directors. Unless an officer resigns, dies or is removed prior thereto, an officer shall hold office until a successor has been chosen and qualified. Any officer may resign at any time by delivering a written resignation to the President or Vice President. The President and Vice-President of the YAC shall be elected by the YAC Board of Directors. The election of the President and the election of the Vice- President shall be on an annual base.
- 6.8 REMOVAL OF DIRECTORS: Directors of the YAC Board Directors may be removed only for cause, by major action by the Yurok Tribal Council at the Board of Directors' request to the Tribal Council for serious ineffectiveness or neglect of duty or for misconduct in office. Yurok Tribal Council may remove a YAC Director if a member has four (4) unexcused consecutive absences from YAC meetings. Council should exercise utmost restraint in not removing directors before their four year term expires. Only through separation of electoral politics and the Corporation will the economic development of the nation thrive
- 6.9 ANNUAL MEETING: The annual meeting of the Board of Directors for the election of Vice President, pursuant to Section 6.7 and for the transaction of such other business as may properly come before it shall be held at the principle office of the YAC or at the Yurok Tribal Office at the regularly scheduled Board meeting in October of each year.
- 6.10 OTHER MEETINGS: REGULAR QUARTERLY MEETINGS: Regular Quarterly meetings of the Board of Directors shall be held and/or anytime as determined by the President or the YAC CEO Other meetings of the Board of Directors shall be held at any time as determined by the Board or when called by either the President or three (3) Directors or by written request based upon formal action of the Tribal Council. Except as required for the annual meeting, each meeting of the Board shall be held at such place and such time as shall be specified by notice thereof.
- 6.11 NOTICE OF MEETINGS: Notice of each Board meetings shall be mailed or emailed to each Director not fewer than five (5) nor more than thirty (30) days in advance, or delivered personally not fewer than three (3) weekdays in advance. Notice need not be given to a Director who waives notice either before or after the

meeting or who participates in the meeting without timely objection as to notice. Notice need not be given of a meeting resumed after adjournment. YAC Board meetings shall not conflict with Council Meetings.

- 6.12 QUORUM: Three(3) members of the Board of Directors shall constitute a quorum. One of quorum needs to be a Yurok Tribal Council member. A majority of those Directors present at a meeting at which there is no quorum may, by resolution, adjourn the meeting from time to time for a period not exceeding ten (10) days in any one case.
- 6.13 CONDUCT OF MEETINGS: At all meetings of the Board Directors where a quorum is present, all matters shall be decided by a vote of the majority of the Directors present. The President shall preside at each meeting and in the President's absence the presiding officer shall be the Vice-President. Roberts Rules of Order will be the formal meeting guidelines and/or any other meeting rules that the Yurok Tribal Council authorizes.
- 6.14 TELEPHONE MEETINGS: Under special circumstances and subject to approval by the Board, and Director may participate in a meeting of the Board of Directors by means of conference telephone call or similar communications equipment which enables all Directors participating in the meeting to hear each other.
- 6.15 RECORD OF MEETINGS: The YAC Executive office shall keep, or cause to be kept, a complete and accurate record of all meetings, copies of which shall be furnished to the Board of Directors and to the Yurok Tribal Council.
- 6.16 COMPENSATION: Council member Directors cannot receive additional compensation for their service on the Board.
- 6.17 SIGNATURES: Officers of the Board of Directors may sign such papers as the Board may authorize for and on behalf of the Board.
- 6.18 VOTING: Each member of the Board of Directors shall be entitled to vote on each matter coming properly before the Board.
- 6.19 BYLAWS: Subject to the approval of the Yurok Tribal Council, the Board may adopt, amend or repeal Bylaws of the YAC, consistent with the provisions of this Charter and applicable law.
- 6.20 COMMITTEES: The Board of Directors may from time to time establish committees which shall have such duties, and the members of which shall hold office for such periods, as the Board may determine, provided that the Board of Directors shall not delegate any of its powers or duties to any committee Director or officer.

- 6.21 BONDING: All members of the Board of Directors and those corporate employees specially designated by the board shall be bonded.
- 6.22 DUTIES OF OFFICERS: the officers of the Board of Directors shall have the following duties and powers.
- 6.22.1 The President shall be the principle officer of the YAC. When present, the President shall preside at all meetings of the Board, sign with the CEO of YAC any properly authorized deeds, mortgages, contracts, or other instruments which the Board has authorized to be executed, and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time. The President shall vote only in case of a tie.
- 6.22.2 In the absence of the President, or in the event of the President's death or inability to act, the Vice-President shall perform the duties of the President and when so acting shall have all the powers of, and be subject to all the restrictions of, the President. In addition the Vice-President shall perform such other duties as shall, from time to time, be assigned by the President or the Board of Directors.
- 6.22.3 The Executive Office of the YAC shall record or cause to record and maintain a full report of all proceedings of each meeting of the Board of Directors, and in general shall perform all duties as may, from time to time, be assigned by the President or the Board
- 6.23 CONFLICTS OF INTEREST: All Directors, officers, Tribal Council Members, attorneys, employees and agents of the YAC are subject to, and shall comply strictly with, all conflict of interest and anti-nepotism rules, regulations, resolutions, ordinances and referenda of the Tribe.
- 6.23.1 No Director, officer, attorney, agent or employee of the YAC shall in any manner, directly or indirectly, benefit from any YAC operation, program, project or other activity affecting such person's pecuniary interest or the pecuniary interest of any corporation, partnership, and individual or entity in which the person is directly or indirectly interested.
- 6.23.2 No Director, officer, attorney, agent or employee of the YAC, or any official of the Tribe who performs any responsibilities or functions with regard to any activity of the YAC, voluntarily shall acquire any interest, direct or indirect, in any matter or in any property included or planned to be included in any project of the YAC, or in any contract, agreement or other transaction or
- 6.23.3 Proposal relating to any activity of the YAC. This provision prohibits any contract or other transaction between the YAC and a Director, officer, attorney, agent, employee or Tribal official or between the YAC and any entity in which a Director, officer, attorney, agent, employee or Tribal official is an owner, shareholder, member, director, officer, agent or employee, or in which he or she is otherwise interested.

- 6.23.4 If a Director, officer, attorney, agent, employee of the Tribe official involuntarily acquires such interest, or voluntarily acquires such interests prior to appointment or employment with respect to the YAC, in any such event, the person immediately shall disclose the person's interest in writing to the Board, and such disclosure shall be entered upon the Record of the Board's meetings and that person shall not participate in any action by the Board relating to the property, contract or other transaction in which he or she has any such interest.
- 6.23.5 Any intentional violation of the foregoing provisions of this Section shall constitute misconduct in office and a violation of the public trust and shall subject the person to removal from the Board or other office held, and shall such person liable to the YAC for any and all profits or gains of any kind or character which that person may have obtained by virtue of the violations of the trust. This Section shall not apply to acquisition of any interest in obligations that may be issued by the YAC in connection with any project. Conflict of Interest exists for any individual who has gained knowledge or obtained unfair advantage do to the status as an employee of the Yurok Tribe or any of its entities.
- 6.25 RESIGNATION: Any Director may resign at any time by delivering a written resignation to the President and the Tribal Council. The resignation shall be effective upon receipt, unless otherwise provided by the terms thereof. Upon receipt of any Director's written resignation, the President immediately shall notify all other Directors.
- 6.26 CONFIDENTIALITY: Subject matter concerning YAC and Yurok Tribal investment, marketing, and general business is confidential. Any breach of confidentiality will result in removal from the Board of Directors.

ARTICLE 7 MANAGEMENT

- 7.1 CHIEF EXECUTIVE OFFICER: The Board of Directors shall hire a Chief Executive Officer ("CEO") of the YAC provided that no member of the Board of Directors of the YAC may be hired as CEO, nor may any member of the Board or Tribal Council be employed in any capacity by the YAC. The YAC is an "at will" employer. CEO shall have responsibilities with respect to:
- 7.1.1 Daily operations, in accordance with such directions, plans, policies and procedures as may be established as a Board;
 - 7.1.2 Employing, directing, training and discharging employees subject to the provisions of Section 8.2 below;
 - 7.1.3 Purchasing and sales within limits set by the Board;
 - 7.1.4 Planning and development as directed by the Board;

- 7.1.5 Income, expenditures, budgeting and accounting;
- 7.1.6 The making of periodic reports to the Board; and Tribal Council
- 7.1.7 Such other matters as the Board may determine
- 7.1.8 Organize YAC Board Meetings
- 7.1.9. Provide for YAC Board a yearly work plan for their approval.
- 7.1.10 Organize any meetings necessary under Section 6.10 and other provisions of this Charter and By-Laws.
- 7.2 EMPLOYMENT: The hiring of the CEO of the YAC, and all other employment by the YAC or for any business or enterprise subject to YAC management and supervision under this Charter, shall be in accordance with the following minimum requirements:
 - 7.2.1 All conflict of interest and anti-nepotism rules, regulations, resolutions, ordinances and referenda of the Yurok Tribe;
 - 7.2.2 The Tribal Employment Rights Policy and/or Ordinances of the Yurok Tribe, as it is now or hereafter may be amended;
 - 7.2.3 All written personnel policies, manuals and grievance procedures shall be enacted or approved by the YAC Board. Any such policies, manuals and grievance procedures not approved by the YAC Board are Null and Void.
 - 7.2.4 All other rules, regulations, resolutions, ordinances, referenda and other laws of the Tribe;
 - 7.2.5 All salaries and wages of employees of the YAC shall be an expense of the YAC and shall be in accordance with pay scales approved by the Board.
 - 7.2.6 No employee, or contract employee, of the YAC or of any business or enterprise subject to management and supervision by the YAC under this Charter shall be in a direct supervisory position over any other employee who is a member of such supervisory employee's immediate family. The term "immediate family" is defined as spouse or significant other, father, mother, brother, sister, son, daughter, grandfather, grandmother, uncle, aunt, nephew, niece, and the following in-laws: father, mother, brother, sister, son and daughter.
- 7.3 PROFESSIONAL SERVICES: The YAC shall be entitled to retain the service of any business consultant or professional. The YAC shall contract Services via a formally approved Memorandum of Understanding/Memorandum of Agreement available through the Yurok Tribal Council to the greatest extent possible, i.e. Fiscal Department, Human Resource Department, and any other Tribal Department consistent with Section 2.6.
- 7.4 INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES: The

YAC shall indemnify any person who was or is a party or threatened to be made a party to any threatened, pending or completed action, suit or proceeding, either civil, criminal, administrative, or investigative, by reason of the fact that the person is or was a Director, officer, agent or employee of, or acting on behalf of, the YAC, or is or was serving at the request of the YAC as a Director or officer of another enterprise or corporation, against expenses including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding to the extent that such person is not otherwise indemnified. The YAC shall not be required to indemnify such person if independent counsel shall determine pursuant to a judicial decision in any such action, suit or proceeding, or independently, in case of settlement, that such person failed to act in good faith and with that degree of diligence, care and skill which an ordinarily prudent person would exercise under similar circumstances in like position, or determines that such person was not acting within the scope of his or her authority. The right indemnification provided for herein shall not be deemed exclusive of any other rights to which such person may be entitled and shall insure to the benefit of the heirs, executors and administrators of such person.

ARTICLE 8 POWERS OF THE CORPORATION

- 8.1 POWERS: In furtherance, but not limitation, of the specific and general powers enumerated above, the YAC shall have the following powers:
- 8.1.1 To engage in any and all business enterprise activities identified in annual or general plans approved by the YAC, necessary for the orderly and efficient operation of the YAC and its existing enterprises. In addition the YAC may establish, operate and assist complementary business and economic ventures, and create subsidiaries
 - 8.1.2 To adopt, use, and at its own discretion, alter a corporate seal. Failure to affix a seal shall not affect the validity of any instrument.
 - 8.1.3 To adopt, amend and repeal these Bylaws, subject to the approval of the YAC Board of Directors and the Yurok Tribal Council. Any such actions not approved by the Yurok Tribal Council will be null and void.
 - 8.1.4 To qualify to conduct business within any Indian reservation, state, territory, dependency, foreign country and/or patented land, or individual trust property.
 - 8.1.5 To acquire by means of lease, contract, purchase, conveyance, special-use permit or otherwise, and to hold possess, enjoy and lease or rent, any and all classes of property whatsoever, whether real, personal or mixed, or any interest therein, and to construct buildings, structures or improvements necessary for its corporate purpose, provided that the purchase and sale of real property shall be with the approval of the YAC Board.
 - 8.1.6 To solicit, collect and receive money and other assets and to administer funds and contributions received by grant, gift, deed, bequest or devise, and otherwise to acquire money, securities, property, rights and services of every kind and description, and to

hold, invest, expend, contribute, use, sell or otherwise dispose of an money, securities, property, rights or series so acquired for the purpose above mentioned. To borrow money, and to make, accept, endorse, execute and issue bonds, debentures, promissory notes and other corporate obligations for monies borrowed, or in payment for property acquired for any of the purposes of the YAC, and to secure payment of any such obligation by mortgage, pledge, deed, indenture, agreement, or other instrument of trust, or by other lien upon, assignment of, or agreement in regard to all or any part of the property, rights, or privileges of the YAC. The "property" as used herein, does not include property held in trust by the United States of America for individual members of the Yurok Tribe, or without the approval of the Yurok Council.

- 8.1.7 In accordance with the Investment Policy of the Yurok Tribal Council to invest and reinvest its funds in such mortgages, bonds, notes, debentures, shares of preferred common stock, and any other securities of any kind whatsoever, as well as in property, real, personal, or mixed, tangible or intangible.
- 8.1.8 To provide advice, support, credit, funds, capital gifts and all other lawful forms of assistance, financial and otherwise, to or for use in business enterprises owned, or destined to be owned, by the Tribe or its members.
- 8.1.9 To furnish management, administrative and other business advice, support, training and technical assistance to members of the Yurok Tribe and the communities in which they live in order to enable them to develop necessary skills to successfully operate business ventures.
- 8.1.10 To encourage and voluntarily assist the Yurok Tribe, its members and members of the communities in which they live, to organize, create, and acquire, obtain financing for, own, manage and operate business ventures.
- 8.1.11 To enter into, make, perform and carry out contracts and other agreements which are necessary, requisite or advantageous in respect to the business operations of the YAC with any government, state, county, Indian Tribe, municipality, person, firm, association or corporation, domestic or foreign.
- 8.1.12 To take all actions necessary, suitable or proper to the accomplishment of any of the goals herein before enumerated, either alone or in association with other corporation, firms and individuals, as principles, agents, brokers, contractors, subcontractors, trustees or otherwise, and in general to engage in any and all lawful business of the YAC, and to perform any act or acts things incidental to, growing out of, or connecting with said business, or in any part or parts thereof.
- 8.1.13 To sue in its own behalf, in all courts of competent jurisdiction, and to be sued, subject to and limited by the requirements of Sections 8 and 9.

8.2 LIMITATION OF POWERS: Unless expressly authorized under this Charter or by

resolution of the Yurok Tribal Council the YAC may not:

- 8.2.1 Expressly, impliedly or otherwise through its status or activities, subject the Tribe to obligations or liabilities arising from contract, tort, regulation, licensing, taxation or any other matter;
 - 8.2.2 Pledge the credit of the Yurok Tribe;
 - 8.2.3 Dispose of, mortgage or otherwise encumber real or personal property of the Yurok Tribe;
 - 8.2.4 Waive any right of the Yurok Tribe or release any obligation owed to the Tribe; or waive any other rights, privileges or immunities of the Tribe;
 - 8.2.5 Secure loans or incur indebtedness requiring any obligation, contribution or guarantee on the part of the Yurok Tribe; or
 - 8.2.6 Name the Yurok Tribe or attempt to join the Tribe in any claim, action, suit, proceeding, dispute or other matter, whether as plaintiff, defendant or otherwise, without the express written consent of the Tribe, and any such attempt is hereby declared to be beyond the legal power and authority (*ultra vires*) of the YAC.
- 8.3 CLAIMS MADE IN LITIGATION: In litigation or any administrative or regulatory proceeding or in any mediation or arbitration or any other dispute resolution proceeding, the YAC shall neither assert nor concede to any claims regarding the legal status, powers, authority or immunities of the YAC or the Yurok Tribe, The Yurok Indian Reservation or activities taking place or property found thereon without the express written consent of the Yurok Tribal Council.

ARTICLE 9 SOVEREIGN IMMUNITY AND WAIVER, CREDIT OF THE TRIBE

- 9.1 SOVEREIGN IMMUNITY OF THE TRIBE: The Tribe expressly reserves all its inherent sovereign rights, privileges and immunities as a federally recognized Indian Tribe with respect to the creation, existence and activities of the YAC, including the Tribe's sovereign immunity from suit in any court. Nothing in this Charter nor any action of the YAC shall be deemed or construed to be a waiver of sovereign immunity from suit of the Tribe, or to be a consent of the Tribe to the jurisdiction of the United States or of any state or any Tribe with the regard to the business or affairs of the YAC or the Tribe, or to be a consent of the Tribe with regard to the business or affairs of the YAC or the Tribe, or to be a consent of the Tribe to any cause of action, case or controversy, or to the levy of any judgment, lien or attachment upon any property of the Tribe, or a consent to suit in respect to any land within the jurisdiction of the Tribe, or a consent to the alienation, attachment or encumbrance of any such land.
- 9.2 SOVEREIGN IMMUNITY OF THE YUROK AGRICULTURAL CORPORATION: The YAC expressly reserved by federal and Tribal law with all of the privileges and immunities of the Tribe, including sovereign immunity from suit in any state, federal or Tribal court.

Nothing in this Charter shall be deemed or construed to be a waiver of the sovereign immunity of the YAC from suit, which only may be waived pursuant to Section 9.3 below, to the jurisdiction of the United States or of any state or of any Tribe, with regard to the business or affairs of the YAC or to any cause of action, case or controversy arising from such business or affairs.

- 9.3 LIMITED WAIVERS OF SOVEREIGN IMMUNITY: The sovereign immunity of the YAC may be waived only by express resolution of the Board after consultation with an attorney(s). All waivers of sovereign immunity shall be preserved with resolutions of the Board regarding continuing force and effect.

9.3.1 Waivers of sovereign immunity are disfavored and may be granted only when necessary to secure a substantial advantage or benefit to the YAC. Waivers of sovereign immunity shall not be general, but shall be specific and shall be limited as to duration, grantee, transaction, property or funds, if any, of the YAC subject thereto, a court having jurisdiction pursuant thereto and law applicable thereto.

9.3.2 Neither the power to sue and be sued provided in Section 8.1.14 of this Charter, nor any express waiver of sovereign immunity by resolution of the Board, shall be deemed a consent to the levy of any judgment, lien or attachment upon property of the YAC other than property specifically pledged or assigned, or upon any property of the Tribe, or a consent to suit in respect to any land within the jurisdiction of the Tribe or a consent to the alienation, attachment or encumbrance of any such land.

ARTICLE 10 ASSETS

- 10.1 ASSETS OF THE YUOK AGRICULTURAL CORPORATION: the YAC shall have only those assets assigned to it by the Tribal Council or acquired by the YAC after its organization. Neither any activity of the YAC nor any indebtedness incurred by the YAC shall in any way implicate or involve any interest in assets of Tribal members or of the Tribe not assigned in writing to the YAC.
- 10.2 TRANSFER OF ASSETS: Assets of existing enterprises may be transferred to the Corporation and shall be valued in asset accounts or, where insufficient accounting data exists, as paid-in capital contribution in the equity accounts of the Corporation. Such asset contributions shall be valued upon transfer to the Corporation at fair market value according to generally accepted accounting principles (GAAP).

ARTICLE 11 OPERATION OF THE CORPORATION

- 11.1 YUOK AGRICULTURAL CORPORATION FISCAL POLICY: Within ninety (90) days following approval of this Charter, the YAC Board of Directors shall adopt and submit for approval by the Tribal Council, a written fiscal policy. The written fiscal policy shall address all financial matters of the YAC, including, but not limited to, establishment of deposit accounts, disbursement policy, petty cash, accounting, check approval, and signatures, loan policies, banking policies, audits, bookkeeping and accounting, approval of YAC obligations and contracts, funding acquisition, day-to-day cash flow and cash handling, and related

matters.

- 11.2 DEPOSIT OF FUNDS: All funds of the YAC not otherwise employed shall be deposited in such bank, trust companies or other reliable depositories as the Board of Directors may determine. Each account in any depository selected by the Board of Directors shall be in the name of the operation division, if any, for which use the funds are being held and shall be fully collateralized.
- 11.3 DISBURSEMENTS, ETC: Payments of all debts, except those obligations subject to Section 11.9 of this Charter, shall be made by check. All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness issued in the name of or payable to the YAC shall be signed or endorsed by such officers or agents of YAC and in such manner as the Board of Directors may determine.
- 11.4 LOANS: No loans or advance shall be contracted on behalf of the YAC and any notes, debentures, bonds, guarantees or other evidence of indebtedness shall be issued in the name of the YAC unless authorized by the Board of Directors. Each such authorization by the Board shall relate to a specific transaction and may include authorization to pledge, as security for loans and advances so authorized, any or all securities, property or any interest therein owned by the YAC, subject to any restrictions contained in this Charter and applicable law.
- 11.5 CONTRACTS: Subject to any restrictions contained in this Charter, and when authorized by the Board of Directors, the President or other officer or agent of the YAC may, in the name and on behalf of the YAC, enter into such contracts or execute and deliver such instruments as are authorized by the Board. Authorization by the Board may be general or limited to specific transactions.
- 11.6 REPRESENTATION OF SHARES OF OTHER ENTERPRISES OR CORPORATIONS: The President and the Board of Directors are authorized to vote, represent and exercise on behalf of the YAC, in person or by proxy, all rights incident to any and all shares of any other enterprises or corporation held in the name of the YAC.
- 11.7 INSURANCE: Fire and other insurance on property owned by the YAC or on property in which the YAC has an insurable interest, shall be in amounts and types of coverage specified by the Board of Directors.
- 11.8 FISCAL YEAR: the fiscal year of the YAC shall conform to the fiscal year of the Yurok Tribe: January 1 through December 31.
- 11.9 PETTY CASH FUND: A petty cash fund is authorized to be established by the YAC on an advance basis in an amount to be set by the YAC CEO. This fund may be used to pay small expenses when necessity demands and to pay small obligations when it is not feasible to pay by check on the official depository. Petty cash policies shall be identified in YAC Fiscal Policies.
- 11.10 RECORDS AND ACCOUNTING: The Corporation and its officers shall establish and

maintain appropriate written procedure, records, and accounting and financial systems consistent with approved budgets.

- 11.11 ACCESS TO RECORDS: All financial books and records of accounts, all minutes of the Board of Directors meetings and copies of all other materials, books records, documents and contracts maintained by the YAC shall be consistent with other Tribal records and be made available for inspection at any reasonable time during usual business hours by the Council or duly authorized representative thereof for any lawful and proper purpose. Upon leaving office, each Director, officer or agent of the YAC shall turn over any property of the YAC that has been in the custody of such Director, officer or agent during that person's term in office to that person's successor or the President, in good order, such monies, books records, minutes, writs, documents, contracts, or any other property of the YAC as have been in the custody of such Director, officer or agent during that person's term of office. All employment contracts are to be maintained in the administrative offices of the Corporation.
- 11.12 AUDIT: The YAC shall cause to be completed an annual audit within 120 days after the end of the fiscal year. The completed audit shall be presented to the Tribal council by the YAC CEO.
- 11.13 TRIBAL AUDIT: The Yurok Tribal Council, upon written notice to the YAC, shall have the right to conduct its own audits of the YAC record relative to the operation of the enterprises. The Tribal Council shall bear the cost of such an audit.
- 11.14 REPORTS: The YAC CEO, as approved by the Board, shall file quarterly reports and an annual report with the Tribal Council within ninety (90) days following the end of each quarter and each fiscal year of the YAC. Such reports describe:
- 11.14.1 All business conducted during the reporting period and planned or intended to be done during the current fiscal year, including any material changes and developments since the last report in the business described, a description of competitive conditions, research and development activities, new or expanded lines of business conducted, and the approximate amount of total sales and revenue and income or loss attributable to each line of business.
 - 11.14.2 Any material pending legal proceeding to which the YAC or a business venture was or is a party;
 - 11.14.3 Financial statements of the YAC, both current and for the preceding fiscal year, including a consolidated balance sheet and a consolidated statement of income and expenses;
 - 11.14.4 An operation plan for each fiscal year shall be prepared, including the short-range and long-range goals and objectives of the YAC and the strategies to be employed by the YAC to accomplish these goals and objectives. The operations plan shall be presented to the Tribal Council at a joint annual meeting with the YAC Board at an agreed upon time and place. The YAC

shall file with the Tribal Council all additional reports as may be required from time to time by the Council. The YAC shall have the opportunity from time to time within any given year to request the Tribal Council to approve an amendment to the yearly operations plan as may be necessary for the efficient consideration for new business opportunities or the removal of business activities which the Board of Directors has determined is no longer in the best interests of the YAC. Such amendments shall be heard at regularly scheduled meetings of the Yurok Tribal Council or at special meetings of the Yurok Tribal Council called for the specific purpose of hearing YAC matters.

11.14.5 The Yurok Tribal Council shall have the authority to request a meeting of the YAC Board of Directors in accordance with his Charter YAC

11.15 SOURCE OF FUNDS: The YAC shall be entitled to apply for funds to the Tribe, Bureau of Indian Affairs and any other government agency. In any such application, the YAC shall be entitled to identify itself as a Tribal enterprise or subdivision of the Yurok Tribe. The YAC also shall have authority to negotiate grants or loans from any non-governmental foundation, institution, business or private individual, subject to the provisions of Section 8 herein the YAC shall work with Tribal Department/Entities as necessary ensure they are not in competition with each other for grant and other funding sources.

ARTICLE 12 OWNERSHIP AND GENERAL FUND

12.1 OWNERSHIP: All of the assets required by the YAC and any of its business ventures shall be owned and held by the YAC as a Tribal Corporation operated by and for the benefit of the Yurok Tribe.

12.2 DISTRIBUTION: Following the end of each fiscal year, the Board shall review the year-end financial statement described in Section 11.14. Within (30) days following receipt of the year-end financial statements, the CEO shall prepare an annual accounting report to the Tribal Council. Such report shall be as provided below:

12.2.1 Such report shall provide a plan for utilizing such cash and cash equivalents for YAC purposes and distribution of any remaining cash or cash equivalents beyond the anticipated needs of the YAC with the exception of the business contingency funds.

12.2.2 The YAC shall work with the Tribal Council to develop an annual plan for disposition of any profits in excess of those in Section 12.2.1.

ARTICLE 13 DEFAULT

13.1 NOTICE OF DEFAULT: In the event the Yurok Tribal Council believes there has been a default under the provisions of this Charter, it shall give the Corporation written notice stating the specific nature of the default.

13.2 RESPONSE TO NOTICE OF DEFAULT: The YAC shall have forty-five

(45) days to cure default, provided that if the default cannot be cured within 45 days, the YAC shall take all reasonable actions to affect a cure and shall provide written notice to the Tribal Council of the time within which the default shall be cured.

- 13.3 RESOLUTION OF DEFAULT: The YAC shall be provided the opportunity to cure all outstanding default requests, and in the event the default

involves the safety and health of individuals or the community, or that the time to cure a default exceeds forty-five (45) days, the YAC shall submit a plan for remedial action and a plan to resolve the default, including a schedule for the remediation plan.

- 13.4 FAILURE TO RESPOND: If the YAC fails to respond and the default is not cured, or if reasonable action is not taken within forty-five (45) days, the YAC may elect to exercise its rights to penalize or dissolve the Yurok Agricultural Corporation.

ARTICLE 14 DISSOLUTION

- 14.1 DISSOLUTION BY THE COUNCIL: The Yurok Tribal Council reserves the right to dissolve the YAC, provided through major action by Council voting in favor of dissolution.

- 14.2 DISSOLUTION BY THE BOARD: At any time the Board of Directors determines that the YAC is not a viable means of conducting business under this Charter, the Board shall:

14.2.1 Prepare a plan for dissolution for consideration by the Yurok Tribal Council;

14.2.2 Identify specific individual enterprises subject to dissolution;

14.2.3 If the dissolution involves an enterprise that is to be liquidated to an individual or business entity, a business plan and proposal for enterprise liquidation shall be submitted to the Tribal Council for review and approval.

- 14.3 OBLIGATIONS: Dissolution shall not impair the legal obligations of the YAC incurred prior to the date of dissolution.

- 14.4 DISTRIBUTION OF ASSETS: Upon winding up and dissolution of the YAC, the assets of the YAC remaining after payment of, or provision for payment of, all debts and liabilities of the YAC shall be distributed to the Yurok Tribe or to such other Yurok Tribal organization or enterprise duly designated by the Tribal Council, so as to ensure that such assets will be used exclusively to accomplish the general purposes for which the YAC was organized.

ARTICLE 15 APPROVAL AND AMENDMENT OF CHARTER

- 15.1 APPROVAL: This amended Charter shall become effective upon the date of its approval by the Yurok Tribal Council.
- 15.2 AMENDMENT OF CHARTER: Amendment of this Charter shall require at least five (5) member "aye" vote of the Tribal Council.