



---

# Bylaws of the Vista del Mar Foundation

---

A California Nonprofit Public Benefit  
Corporation

---

March, 2009

---

## Contents

ARTICLE I.....	4
Section 1.01 Name .....	4
Section 1.02 Principal Office.....	4
Section 1.03 Purposes .....	4
ARTICLE II.....	4
ARTICLE III.....	4
Section 3.01 Duties and Powers of the Board .....	2
Section 3.02 Number of Trustees .....	2
Section 3.03 Election and Term of Office.....	2
Section 3.04 Interested Persons.....	2
Section 3.05 Resignation, Removal, and Vacancies .....	3
Section 3.06 Place of Meetings.....	3
Section 3.07 Annual Meetings.....	3
Section 3.08 Regular Meetings.....	3
Section 3.09 Special Meetings.....	4
Section 3.10 Notice.....	4
Section 3.11 Quorum and Action of the Board .....	4
Section 3.12 Participation in Meetings by Conference Telephone.....	5
Section 3.13 Waiver of Notice .....	5
Section 3.14 Adjournment.....	5
Section 3.15 Action Without Meeting .....	5
Section 3.16 Committees of the Board.....	6
Section 3.17 Meetings and Actions of Board Committees.....	6
Section 3.18 Advisory Committees .....	6
Section 3.19 Fees and Compensation .....	7

Section 3.20 Conflict of Interest .....	7
Article IV. ....	7
Section 4.01 Officers .....	7
Section 4.02 Election .....	8
Section 4.03 President’s Power to Appoint Officers.....	8
Section 4.04 Removal and Resignation .....	8
Section 4.05 Vacancies .....	8
Section 4.06 President.....	8
Section 4.07 Vice President .....	9
Section 4.08 Secretary .....	9
Section 4.09 Chief Financial Officer .....	9
Section 4.10 Compensation.....	10
Article V. ....	10
Section 5.01 Indemnification .....	10
Section 5.02 Advancement of Expenses.....	10
Section 5.02 Security for Indemnification Obligations.....	11
Section 5.04 Reliance Upon Provisions.....	11
Section 5.05 Amendment or Repeal.....	11
Section 5.06 Scope of Article.....	11
Section 5.07 Insurance .....	11
Article VI. ....	12
Section 6.01 Fiscal Year.....	12
Section 6.02 Corporate Seal.....	12
Section 6.03 Checks, Notes, and Contracts.....	12
Section 6.04 Endorsements of Documents; Contracts .....	12
Section 6.05 Construction and Definitions .....	13

Section 6.06 Amendment of Articles and Bylaws ..... 13

Section 6.07 Maintenance of Certain Records ..... 13

Section 6.08 Annual Report ..... 13

Section 6.09 Annual Statement of Certain Transactions and Indemnifications ..... 13

Section 6.10 Loans to Trustees and Officers ..... 14

**ARTICLE I.**

**Name, Offices and Purposes**

Section 1.01 Name. The name of the corporation is Vista del Mar Foundation.

Section 1.02 Principal Office. The Board of Trustees of the corporation (“Board”) shall determine where to locate the principal office of the corporation. By resolution, the Board may change the principal office from one location to another and may establish additional offices. The principal office is currently located at 9467 San Julian Road, Gaviota, California, 93117.

Section 1.03 Purposes. The corporation is a nonprofit public benefit corporation as described in the California Nonprofit Public Benefit Corporation Law (the “Law”). The property of the corporation is irrevocably dedicated to Charitable purposes in a manner which meets the requirements of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (“Internal Revenue Code”), and Sections 23701d and 214 of the California Revenue and Taxation Code.

**ARTICLE II.**

**Membership**

The corporation shall have no members within the meaning of Section 5056 of the Law. Any action which otherwise would require approval of the members shall require approval only of the Board.

**ARTICLE III.**

**Board of Trustees**



Section 3.01 Duties and Powers of the Board. Subject to any limitations in the corporation's Articles of Incorporation (the "Articles") or these Bylaws, the Board shall manage the activities of the corporation and shall exercise or oversee the exercise of all corporate powers. The Board may delegate its duties and powers as it sees fit to the extent permitted by law, *provided however*, 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 shall have all powers permitted to or conferred on a board of trustees of a nonprofit public benefit corporation by Law, except as limited by the Articles or these Bylaws.

Section 3.02 Number of Trustees. The number of trustees of the corporation shall be a minimum of three (3) and a maximum of six (6). The authorized number of trustees of the corporation may be changed by resolution of the Board.

Section 3.03 Election and Term of Office. Trustees shall be elected at each annual meeting of the Board for a three year term. Each trustee, including a trustee elected to fill a vacancy, shall hold office until the earlier of the expiration of the term for which he or she was elected or until the election and qualification of a successor. By resolution, the Board may arrange for terms to be staggered. The term of office is three years renewable for a second term. No trustee may serve for than six consecutive years.

Section 3.04 Interested Persons. No more than forty-nine percent (49%) of the trustees serving at any one time may be "interested persons." For purposes of the Section 3.04, an "interested person" is:

- (a) Any person currently being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a trustee as a trustee; or
- (b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in law of any person listed in Section 3.04(a) above.

Any violation of the provisions of this Section 3.04 shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 3.05 Resignation, Removal, and Vacancies.

(a) A trustee may resign effective upon giving written notice to the Chair of the Board (the "Chair") if any, the President, the Secretary, or the Board, unless the notices specifies that the resignation shall be effective at a later time; *provided, however*, that a trustee may not resign without permission of the Attorney General in a case where the corporation would be left without a duly elected trustee in charge of its affairs.

(b) The Board may remove a trustee who fails to fulfill his or her duties, including failing to attend meetings of the Board or failing to fulfill tasks designated by the Board; *provided, however*, that such removal must be authorized by an affirmative vote of a majority of trustees then in office.

(c) The Board may fill vacancies as and when it sees fit. If the number of trustees would fall below three (3), the Board shall fill vacancies as promptly as possible to avoid such result. A trustee elected to fill a vacancy shall hold office until the expiration of the term of the replaced trustee or until his or her successor has been elected and qualified, unless the Board otherwise determines.

(d) A vacancy in the Board shall be deemed to exist upon occurrence of the death, resignation, or removal of any trustee, or if the authorized number of trustees is increased.

(e) The Board may declare vacant the office of a trustee who has been declared of unsound mind by a final order of court, or is convicted of a felony, or has been found by a final order or judgment of any court to have breached a duty to the corporation.

Section 3.06 Place of Meetings. The Board may meet at any place designated in the notice of the meeting or, if not stated in the notice or there is no notice, as designated by the Board or the President.

Section 3.07 Annual Meetings. The Board shall hold an annual meeting to elect trustees and officers then up for election, and to conduct all other business as may properly come before the Board. The annual meeting shall take place at such time and place as determined by resolution of the Board.

Section 3.08 Regular Meetings. Regular meetings of the Board shall be held at such time and place as may be fixed by the Board.



Section 3.09 Special Meetings. Special meetings of the Board for any purpose may be called at any time by the Chair (if any, President, Vice-President, Secretary, or any two (2) trustees.

Section 3.10 Notice. Annual, regular and special meetings of the Board shall be held upon notice of at least one (1) week by first-class mail or forty-eight (48) hours notice given personally or by telephone, electronic mail, facsimile, or other equivalent means of communication. Such notice shall contain the date, time, and place of meeting and the agenda of business to be discussed at such meeting.

Any such notices shall be addressed or delivered to each trustee at his or her address or contact number as it is shown upon the records of the corporation, or, if such address or number is not shown on such records or is not readily ascertainable, at the principal place of business of the corporation.

Notice by mail shall be deemed to have been given at the time that the notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or to a common carrier for transmission. Notice by electronic mail shall be deemed to have been given when it is actually transmitted by the person sending the notice by electronic means to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone, to the recipient or to a person at the office of the recipient who, the person giving the notice has reason to believe, will promptly communicate it to the recipient.

Section 3.11 Quorum and Action of the Board.

(a) A majority of trustees currently in office (but no fewer than two) constitutes a quorum of the Board for the transaction of business, except for purposes of adjournment as provided in Section 3.14 of these Bylaws. Unless a greater number is expressly required by law, the Articles or the Bylaws, every action taken or decision made by a majority of the trustees present at a meeting held at which a quorum is present is the act of the Board; *provided, however*, that a meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of trustees, if any action taken is approved by at least a majority of the required quorum for such meeting.

- (b) The following actions shall require a vote by a majority of all trustees then in office in order to be effective:
- a. The amendment of the Articles or these Bylaws;
  - b. Creation or dissolution of a committee of the Board (as provided in Section 3.16) or an advisory committee (as provided in Section 3.18);
  - c. The election of new trustees or a vote to change the number of trustees (as provided in Section 3.01); and
  - d. The dissolution of the corporation and winding up of business.

Section 3.12 Participation in Meetings by Conference Telephone. Trustees may participate in meetings of the Board through the use of conference telephone or equivalent communications equipment, so long as trustees participation in the meeting can hear one another. Participation in a meeting pursuant to the Section 3.12 constitutes presence in person at the meeting.

Section 3.13 Waiver of Notice. Notice of a meeting need not be given to any trustee who signed a waiver of notice or a written consent to holding the meeting or an approval of minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, before or at its commencement, the lack of notice to such trustee. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 3.14 Adjournment. A majority of the trustees present, whether or not a quorum in present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the trustees who were not present at the time of the adjournment.

Section 3.15 Action Without Meeting.

(a) Any action required or permitted to be taken by the Board may be taken without a meeting, if all trustees consent in writing to such action. Such written consents shall be filed with the minutes of the proceedings of the Board and shall have the same force and effect as the unanimous vote of such trustees taken at a meeting.



(b) Trustees may consent, vote, or otherwise take action under this Section 3.15 by a signed document transmitted by mail, messenger, courier, facsimile, or any other reasonable method satisfactory to the Chair (if any) or the President.

Section 3.16 Committees of the Board. The Board may, by resolution adopted by a majority of the number of trustees then in office, create one or more committees of the Board ("Board Committee"), each consisting of at least two trustees, to serve at the pleasure of the Board. Board Committees may be standing (no set term) or special (set term). Appointments of trustees to Board Committees shall be made by the Board. Any such Board Committee, to the extent provided in a resolution of the Board, may be given the authority of the Board except with respect to:

- (a) The approval of any action for which the Law requires approval of the Board or of a majority of the Board;
- (b) The Filling of vacancies on the Board or in any Board Committee;
- (c) The amendment or repeal of its Bylaws or the adoption of new Bylaws;
- (d) The amendment or repeal of any resolution of the Board which by its express terms is not so amenable or repealable;
- (e) The appointment of Board Committees or the members thereof;
- (f) The approval of any self-dealing transaction, as defined in x5233(a) of the Law or any successor provision thereto.

Section 3.17 Meetings and Actions of Board Committees. Regular and special meetings and actions of Board Committees shall be governed by the provision of the Article III applicable to meetings and actions of the Board; *provided, however*, that the Board may adopt rules for the conduct of the business of any Board Committee consistent with these Bylaws, or in the absence of rules adopted by the Board, the Board Committee may adopt such rules.

Section 3.18 Advisory Committees. The Board may, by resolution adopted by a majority of the number of trustees then in office, create one or more advisory committees to serve at the pleasure of the Board. Each advisory committee shall have at least one (10 trustee as a member at all times. Other appointments to such advisory committees need not, buy may be trustees. 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 3.19 Fees and Compensation. The corporation shall not pay any compensation to trustees for services rendered to the corporation as trustees, except that trustees may be reimbursed for expenses incurred in the performance of their duties to the corporation, in reasonable amounts as approved by the Board.

Section 3.20 Conflict of Interest.

(a) A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

(b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

(c) No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

(d) In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

## Article IV.

### Officers

Section 4.01 Officers. The officers of the corporation shall be a President, a Vice President, a Secretary, and a Chief Financial Officer. The corporation may also have, at the discretion of the Board, a Chair. The Board shall have the power to designate additional officers of the corporation, who need not be trustees, with such duties, powers, titles, and privileges as the Board may fix. Any number of offices may

be held by the same person except that the Secretary and the Chief Financial Officer may not serve concurrently as President or Chair.

Section 4.02 Election. The officers of the corporation (except such officers as may be elected or appointed in accordance with the provisions of Section 4.03 or Section 4.05 of this Article IV) shall be chosen by, and shall serve at the pleasure of, the Board, and shall hold their respective offices until their resignation, removal, or other disqualifications from service, or until their respective successors are elected and qualified. They serve for a two-year term which may be renewed once.

Section 4.03 President's Power to Appoint Officers. The Board may empower the Chair, or if none, the President, to appoint or remove such other officers as the business of the corporation may require, each of whom shall hold office for such period, having such authority, and perform such duties as are provided in these Bylaws or as the Board from time to time may determine.

Section 4.04 Removal and Resignation.

(a) Any officer may be removed with or without cause by the Board at any time or by any officer upon whom such power of removal may be conferred by the Board

(b) Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein.

Section 4.05 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, *provided, however*, that such vacancies may be filled as they occur and not necessarily at the annual meeting.

Section 4.06 President. The President shall preside at, or, if unavailable, shall designate another member of the Board to preside at, all meetings of the Board. The President shall exercise and perform such other powers and duties as may be assigned from time to time by the Board. The President is the general manager and chief executive officer of the corporation and, subject to the control of the Board, shall have



general supervision, direction, and control of the business and officers of the corporation. The President has the general powers and duties of management usually vested in the office of president and general manager of a corporation and such other powers and duties as may be prescribed by the Board.

Section 4.07 Vice President. In the absence or disability of the President, the Vice President, if any, are appointed in order of their rank as fixed by the Board or, if not ranked, a Vice President designated by the Board, shall perform all the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them by the Board.

Section 4.08 Secretary.

(a) The Secretary shall keep or cause to be kept, at the principal office of the corporation or such other place as the Board may order, a book of minutes of all meetings of the Board and any board Committees. The minutes shall include the time and place of meetings, whether annual, regular, or special, and if special, how authorized, the notice thereof given, the names of those present at meetings of the Board and of the Board Committees, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office of the corporation, the original or a copy of the corporation's Articles and Bylaws, as amended.

(b) The Secretary shall give, or cause to be given, notice of all meetings of the Board and its committees of the Board required by law or by these Bylaws to be given, shall keep the seal of the corporation, if any, in safe custody, and shall have such other powers and performs such other duties as may be prescribed by the Board.

Section 4.09 Chief Financial Officer. The Chief Financial Officer shall have the custody of all monies and securities of the corporation and shall keep regular books of account. The Chief Financial Officer shall disburse the funds of the corporation in payment of the just demands against the corporation or as may be ordered by the Board (taking proper vouchers for such disbursements) and shall render to the Board from time to time as may be required, an account of all transactions undertaken as Chief Financial Officer and of the financial condition of the corporation.

The Chief Financial Officer shall perform such other duties as are incident to the office or are properly required by the Board.

Section 4.10 Compensation. As stated in Section 3.19, Officers of the Foundation are not to be compensated for their time or expertise in accomplishment of their duties related to the Foundation, except that trustees may be reimbursed for expenses incurred in the performance of their duties to the corporation, in reasonable amounts as approved by the Board.

## Article V.

### Indemnification and Insurance

Section 5.01 Indemnification. The Corporation shall indemnify any Director or officer of the corporation and who was or is a party or is threatened to be made a party to any proceeding (which shall include for the purposes of this Article any threatened, pending, or completed action, or other proceeding whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation)) by reason of the fact that such person was or is an authorized representative of the corporation against expenses (which shall include for purposes of this Article attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful.

Section 5.02 Advancement of Expenses. The corporation shall pay the expenses (including attorneys' fees and disbursements) actually and reasonably incurred in defending a proceeding on behalf of any person entitled to indemnification under Section 13.1 in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation as authorized in this Article. The financial ability to make such repayment shall not be prerequisite to the making of an advance.



Section 5.02 Security for Indemnification Obligations. To further effect, satisfy, or secure the indemnification obligations provided herein or otherwise, the corporation may maintain insurance, obtain a letter of credit, act as self-insurer, create a reserve, trust, escrow, cash collateral, or other fund or account, enter into indemnification agreements, pledge or grant a security interest in any assets or properties of the corporation, or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon other terms and conditions as the Board shall deem appropriate.

Section 5.04 Reliance Upon Provisions. Each person who shall act as a Director or officer of the corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

Section 5.05 Amendment or Repeal. All rights of indemnification under this Article shall be deemed a contract between the corporation and the person entitled to indemnification under this Article pursuant to which the corporation and each such person intend to be legally bound. Any repeal, amendment, or modification hereof shall be prospective only and shall not limit, but may expand, any rights or obligations in respect of any proceeding whether commenced prior to or after such change to the extent such proceeding pertains to actions or failures to act occurring prior to such change.

Section 5.06 Scope of Article. The indemnification, as authorized by this Article, shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under any statute, agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in an official capacity and as to action in any other capacity while holding such office. The indemnification and advancement of expenses provided by, or granted pursuant to, this Article shall continue as to a person who has ceased to be a Director or an officer of the corporation in respect of the proceedings pertaining to actions or failures to act occurring prior to such time, and shall inure to the benefits of the heirs, executors, and administrators of such person.

Section 5.07 Insurance. The corporation shall have the power to purchase and maintain insurance on behalf of any trustee, officer, employee, or agent of the



corporation against any liability asserted against or incurred by such person in such capacity or arising out of the person's status as such, whether or not the corporation would have the power to indemnify the person against such liability under the provisions of this Article V, *provided, however*, that the corporation shall have no power to purchase and maintain such insurance to indemnify any person in respect of a violation of Section 5233 of the Law (relating to self-dealing) or any successor provision.

## Article VI.

### Miscellaneous

Section 6.01 Fiscal Year. The fiscal year of the corporation shall be the calendar year unless otherwise fixed by the Board.

Section 6.02 Corporate Seal. The corporate seal, if any, shall be in such form as may be approved from time to time by the Board.

Section 6.03 Checks, Notes, and Contracts. The Board shall determine which persons shall be authorized from time to time on the corporation's behalf to sign checks, drafts, or other orders for payment of money; to sign acceptance notes, or other evidences of indebtedness; to enter into contracts; or to execute and deliver other documents and instruments.

Section 6.04 Endorsements of Documents; Contracts. Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by the President or any Vice President, and by either the Secretary or the Chief Financial Officer, shall be valid and binding on the corporation in the absence of actual knowledge of the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or person and in such manner as from, time to time shall be determined by the Board, and , 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 amount.

Section 6.05 Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Law shall govern the construction of these Bylaws.

Section 6.06 Amendment of Articles and Bylaws. The Articles and Bylaws may be adopted, amended, or repealed in whole or in part by majority vote of all trustees at meeting at which a quorum is present.

Section 6.07 Maintenance of Certain Records. The accounting books records, and minutes of proceedings of the Board and of the executive committee, if any, of the Board shall be kept at such place or places designated by the Board, or, in the absence of such designation, at the principal business offices of the corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form, or in any other form capable of being converted into written, typed, or printed form.

Section 6.08 Annual Report. No later than one hundred twenty (120) days after the close of the corporations' fiscal year, the corporation shall make available to each trustee an annual report in accordance with Section 6321 of the Law, which shall be accompanied by any report of independent accountants or, if there is no such accountant's report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

Section 6.09 Annual Statement of Certain Transactions and Indemnifications. The corporation shall make available to its trustees an annual statement affixed to the annual report described in Section 6.08 of these Bylaws which briefly describes (a) any transaction(s) during the previous fiscal year involving both (i) the corporation and either a trustee or officer of the corporation and (ii) more than %50,000; or (b) any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or trustee of the corporation.

Section 6.10 Loans to Trustees and Officers. The corporation shall not make any loan of money or property to or guarantee the obligation of any trustee or officer, unless approved by the Attorney General; *provided, however*, that the corporation may advance money to a trustee or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such trustee or officer, provided that in the absence of such advance, such trustee or officer would be entitled to be reimbursed for such expenses by the corporation, its parent, or any subsidiary.

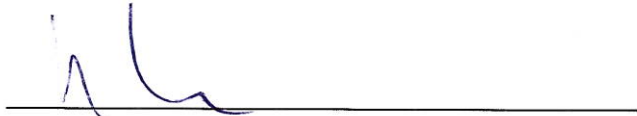
*(Signature page follows)*



**THIS IS TO CERTIFY:**

That I am the duly elected, qualified, and acting President of Vista del Mar Foundation and that the foregoing Bylaws were adopted as the Bylaws of the corporation as of January 20, 2009, by the Board of Trustees of the corporation.

Dated: 3<sup>rd</sup> March 2009.

A handwritten signature in blue ink, appearing to read 'R. Cortopassi', is written over a horizontal line.

Name: Ronald Cortopassi

Title: President