

**MARCH 27, 2008 AMENDED AND RESTATED BYLAWS
OF THE
CALIFORNIA HISTORICAL SOCIETY**

ARTICLE 1-GENERAL

Section 1- Name

The name of this corporation is the California Historical Society, hereinafter “CHS” or “Society,” a California non-profit public benefit corporation.

Section 2- Purpose

The purposes for which this corporation is formed are charitable and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954, as amended, (the “Code”). CHS exists to nurture and promote the history of the State of California as its official historical society. It accomplishes this by collecting and preserving the basic materials of history both in written form and in the forms of art and artifacts. It promotes the use and understanding of history by supporting historical research and publication; and sponsors the disseminations and interpretation of that material and research to the public. In sum, it is a storehouse and guardian for the historic cultural diversity of the State and performs a vital function of service to the educational and general public of the State.

Section 3- Office

The principal office of the Society shall be established by the Board of Trustees and additional offices may be established in such other locations in the State, as the Board of Trustees deems appropriate.

ARTICLE 2- MEMBERSHIP

Section 1- Qualifications

Any individual interested in supporting the purpose of the Society may become a member.

Section 2- Classifications and Dues

Membership classification and dues shall be established and changed as found necessary by majority resolution of the Board of Trustees. “Dues” may also be called “annual membership” or “annual membership contributions/gifts.”

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Section 3- Application for Membership

Membership shall be by written application, accompanied by dues appropriate to the classification of membership applied for.

Section 4- Acceptance for Membership

All applications shall be accepted and the applicant considered a member of the society when the application is complete and accompanied by the appropriate dues.

Section 5- Termination of Membership

Membership in the Society shall terminate sixty (60) days after expiration of the period for which the member's dues have been paid or upon request, or as the Board of Trustees may direct under the procedures described in Section 5341 of the California Corporation Code. The Society shall notify members whose dues are in default at least fifteen (15) days prior to termination of membership.

Section 6- Distribution of Assets

No member shall possess any property right in or to the property of the Society. In the event all memberships are terminated or in the event the Society owns or holds any property upon its dissolution, after paying or adequately providing for the debts and obligations of the Society, the Trustees shall dispose of the remaining property to a non-profit corporation which has as its primary objective the preservation and dissemination of information relating to the history of California and the West. In no event shall any earnings or any other property of the Society be distributed to or inure to the benefit of any member, former member, Trustee, or officer of the corporation, or private individual, either directly or indirectly.

Section 7- Membership Records

The Executive Director is responsible for establishing and maintaining membership records.

Section 8- Good Standing

Those CHS members who have paid the required dues in accordance with these Bylaws and who are not suspended shall be CHS members in good standing, and shall each have one vote on each matter submitted to a vote of the members.

Section 9- Quorum

A quorum shall consist of no fewer than 100 members for the transaction of any Society business, which is put to a vote of the membership. In the event that less than 100 votes

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are received after due notification (not less than 30 days), and ample time given for return of said votes (not more than 30 days), approval of the issue(s) shall be assumed.

ARTICLE 3- ANNUAL MEETING

Section 1- Time and Location

There shall be an Annual Meeting of the Society. The place of meeting may vary from one part of the state to another.

Section 2- Purpose

The purposes of the meeting are to:

1. Report on the financial condition of the Society to the membership.
2. Introduce the officers of the Society for the ensuing year and announce Trustee elections.
3. Conduct such other activities as deemed appropriate by the Board of Trustees and /or the Executive Director.

Section 3- Notice

The Executive Director shall send a written thirty-day (30) notice of the date, time and place of the Annual Meeting to all members.

ARTICLE 4- BOARD OF TRUSTEES

Section 1- Authority and Responsibilities

The Board, on behalf of the general membership, is responsible for establishing policies and programs necessary to achieve the purposes of the Society. It is also charged with seeing that approved policies and programs are faithfully executed by the Executive Director in a fiscally responsible manner. Among the specific means for achieving these purposes are:

1. Establish policies for management of the Society.
2. Act on the recommendations of the Standing and Ad Hoc Committees .
3. Review and/or amend and approve the annual budget.
4. Approve all financial agreements, contracts, investments, and management of funds to insure the financial well being of the Society.

5. Elect Trustees to fill vacancies on the Board of Trustees in compliance with Section 4 of this article.
6. Select, retain, or replace the Executive Director.
7. Meet annually to conduct an evaluation of the Executive Director's performance and consider any monetary adjustment in the compensation package.
8. Review, as needed with the Executive Director CHS personnel policies, procedures, position descriptions, annual evaluations and salary scales. Salary review shall occur prior to the preparation of the annual budget, and be presented to the Finance Committee.
9. Provide the members an Annual Report and financial statement by independent accountants not later than 120 days after the close of the corporation's fiscal year. The report should contain the following: (1) the assets and liabilities including the trust funds of the corporation as of the end of the fiscal year, (2) the principal changes in assets and liabilities, including trust funds during the fiscal year, (3) the revenue or receipts of the corporation, both unrestricted and restricted to particular purpose, for the fiscal year, (4) the expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.
10. Provide in its Annual Report to the members a statement of any "covered transactions" if such a transaction took place. A "covered transaction" is a transaction in which the corporation was a party and in which a Trustee has a direct or indirect material financial interest.
11. Trustees are expected to give financial support annually for the benefit of the California Historical Society with a minimum target for each Trustee giving or securing \$2500, including membership, annual fund and fund raising events. Trustees should make every effort to assist with, contribute to, and attend CHS fundraising events and assist in other CHS projects. Trustees must serve on at least one Board committee. It is expected that Trustees attend at least two board meetings a year in person and at least four meetings a year in person or by teleconference. Prior to each Board meeting, Trustees should inform staff of their attendance in person or by teleconference of their attendance or absence.

Section 2- Number of Trustees

1. The size of the Board shall consist of no more than 30 and not less than 20 trustees, the precise number to be established by the Board, all of whom shall be members of the Society. In addition, the Executive Director and such other persons designated by the Board shall be ex-officio members of the Board. A formally approved policy to create a Board, which mirrors the diversity of the population of the State, is in place.

2. Emeritus and Ex-officio members shall be non-voting members of the Board of Trustees.

Section 3- Terms

The term of Trustees shall be for three years. Terms begin July 1 on the first year and end June 30 of the third year. Terms of Trustees shall be set so that the terms of no more than one third of the members of the Board shall expire each year to the extent feasible. No Trustee shall serve more than three consecutive full three year terms, unless concurrently an elected Officer or Chair of a Standing Committee of the Society, in which case the extended term shall not exceed one year. Former Trustees are eligible for re-nomination and election after the lapse of one year.

Section 4- Nomination and Election of Trustees

1. The President will annually nominate and the Trustees shall appoint a Committee on Trustees pursuant to the provisions of Article 6, Section 4, Subsection B.
2. The Committee on Trustees shall identify and recruit candidates qualified for election to Trusteeship on a year-round basis. Criteria to be considered in potential candidates include demonstrated interest in CHS, a commitment to service and support of the Society, an appropriate area of expertise, and potential leadership ability. In addition, the composition of the Board of Trustees shall be broadly based with due consideration to geographic, ethnic, and gender representation, which reflects the State's diverse population. The Board can remove any Trustee by majority vote for just cause.
3. The Committee on Trustees shall present its nominations, including a resume of each candidate to the Board at least two (2) weeks prior to the meeting at which the Board votes on the nomination of the candidate(s).
4. Full-term Trustee nominations may also be made by the petition of membership, over the signatures of no less than 100 bona fide members or such other number as may be provided by law. Petition nominations must conform to the nomination/ballot schedule contained in Sections 7-10 below.
5. The nominees selected by the Committee on Trustees together with such other nominees presented by Society members and qualified by the Committee on Trustees, as provided in this Article 4, shall be presented to the members entitled to and vote for the election of Trustees in the manner provided in this Article by printed ballot.
6. Nominations presented for general election shall be closed by May 30. In the event the number of nominations does not exceed the number of trustees to be

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elected, the Board shall declare all nominees elected without the necessity of an election.

7. Distribution of printed ballots shall occur at least thirty (30) days prior to July 1.
8. Trustees shall be elected in accordance with the provisions of this Article 4 by a printed ballot mailed (either through the U.S. Mails or via electronic delivery) to every member. Those nominees receiving the highest number of votes of all ballots received by mail or delivered by hand prior to July 1 shall be elected to the available number of vacancies on the Board of Trustees. The ballots shall be counted and the results announced at the next regular board meeting. The Committee on Trustees shall serve as the Election Board. Ballots are to be retained until forty-five (45) days after July 1.
9. The Committee on Trustees shall recommend and present to the Board for election the slate of officers for the following year. The Chair of the Committee on Trustees will notify Board members of said nominees at least thirty (30) days prior to the meeting at which the election takes place.
10. It shall be the President's responsibility in conjunction with the Committee on Trustees, to handle any individual Trustee problems as deemed to be in the best interest of the Board.

Section 5- Meeting of the Board of Trustees

1. Time and Location

At least three regular meetings and an Annual Meeting of the Board of Trustees shall be held each year. The time and place of such meetings shall be at the option of the President. Additional meetings may be called by the President.

2. Notice

An annual calendar of the time and place of all regular meetings shall be prepared and distributed to Trustees by the President in consultation with the Executive Director every July 1. In addition, the Executive Director shall send out reminder notices with the scheduled agenda for regular meetings. The agenda for any regular meeting shall be provided to each Trustee at least ten (10) days prior to the regular meeting.

3. Quorum

A quorum for conducting business at any meeting of the Board of Trustees shall be one-third plus one of the current members of the Board of Trustees.

4. Waiver of Notice

The transactions of any meeting of the Board of Trustees, however called or noticed, are as valid as if the meeting was duly held after regular call and proper notice, if (a) a quorum was present, and (b) in the event a quorum was not present, if after the meeting a unanimous written consent is obtained from each Trustee not present, approving the actions taken at the meeting.

5. Rules

All meetings of the Board of Trustees shall be conducted in accordance with “Roberts’ Rules of Order, Revised.”

Section 6- Conflict of Interest

A transaction between the Society and an interested Trustee, as defined by Section 5233 of the California Corporation Code, shall be governed by such section. A copy of such section is attached to these Bylaws and made a part thereof.

Section 7- Emeritus Trustees

An Emeritus Trustee is any former member of the Board of Trustees who shall have been appointed to such position by the Board of Trustees. The President shall nominate former Trustees who have served the Society in an outstanding manner.

Section 8- Officers

1. The following Officers shall be trustees of the society and shall serve the Society as set forth in subsequent sections of this Article:

President
Vice Presidents
Treasurer
Secretary

2. The Committee on Trustees shall recommend and present to the Board for election the slate of officers for the following year. The Chair of the Committee on Trustees will notify Board members of said nominees at least one Board meeting in advance of the meeting at which the election takes place.

Section 9- President

The President shall hold office for one year and subsequent terms as approved by the Board. In addition to such other duties as the Board of Trustees shall assign the President and without limitations to all the powers usual and incidental to the office, the President shall:

1. Preside at all meetings of the Board
2. Serve as ex-officio member of all committees, and coordinate the work of all Committees.
3. Appoint Committee Chairs and Committee members with the exception of the Finance Committee Chair who is the Board Treasurer. Each of who shall have the authority to perform the duties specified in the bylaws and as determined from time to time by the Board.
4. The President, Vice President(s), Secretary and Treasurer shall be authorized to approve all major financial disbursements authorized by the Board.
5. Constitute ad hoc committees as necessary to conduct the work of the Society.
6. Consult regularly with the Executive Director and review current administrative decisions.
7. Receive and forward to the Board any written appeal of employee grievances.
8. Authorize another Trustee to act temporarily for any officer of the Society who for any reason is unable or unwilling to act.
9. Represent the Society at public functions, or designates one of the other Trustees as representative.
10. Conduct the annual performance review of the Executive Director in conjunction with the Board. The President shall report the Board's review and recommendations to the Executive Director.
11. Shall serve as ex-officio on the California Historical Foundation Board.

Section 10- Vice President

The Vice President shall have the duty and responsibility of acting in all capacities for the President when the President is, for any reason, unable to act.

Section 11- Treasurer

The Treasurer shall have the following duties and responsibilities:

1. Act as the Chief Financial Officer of the Society.

2. Render to the Trustees at regular meetings of the Board or Executive Committee or whenever the board may require, an account of all transactions and financial condition of the Society.
3. Cause to be deposited, all money and other valuables in the name and to the credit of the Society with such depositories as the Board may designate; keep adequate and correct accounts of the Society's properties and business transactions, disburse such funds of the Society as may be authorized by the Board of Trustees (taking proper vouchers for such disbursements).
4. The Treasurer shall serve as Chair of the Finance Committee.
5. Participate with the Finance Committee and the Executive Director in the preparation of the Annual Budget.
6. Present the annual budget to the Board for its approval in a timely manner.
7. On the recommendation of the Finance Committee, present to the Board for its approval any financial investment recommendation relating to the Society's investment portfolio or money accounts.

Section 12- Vacancies

A vacancy in the office of President, Vice President and Treasurer or any other office may be filled by nomination of the Committee on Trustees with a majority vote of the Board of Trustees at a regular or special meeting of the Board of Trustees called for that purpose. An officer thus elected to fill any vacancy shall hold office for the unexpired term of his/her predecessor and until a successor is elected.

Section 13- Secretary

The Secretary shall have the following duties and responsibilities:

1. Have the minutes of all regular, special, and Annual Meeting of the Board recorded under his/her supervision.
2. See that the minutes are prepared and distributed to all members of the Board as soon as possible after any Board meeting.
3. Perform such other duties as may be deemed appropriate by the Board of Trustees.

Section 14- Removal of Officers

Any elected officer of the Society may be removed from office upon recommendation of the President and the Committee on Trustees and a vote for removal equal to two-thirds the total membership of the Board of Trustees, at any meeting of that body.

ARTICLE 5- ADMINISTRATION- EXECUTIVE DIRECTOR

The Executive Director shall be the Chief Executive and Administrative Officer of the Society and is responsible for carrying out the policies and programs approved by the Board of Trustees. The Executive Director shall serve at the pleasure of the Board of Trustees. In addition to other duties as assigned by the President, the Executive Director shall have the following responsibilities:

1. Prepare annually a recommended budget for the year following based on all anticipated expenses and revenue of the Society. This preparation shall be done in consultation with the Finance Committee, and be presented to the Board in accordance with the schedule determined by the Board of Trustees.
2. Be responsible for controlling the annual budget within the major categories established therein. Adjustment between such major categories must be approved by the Finance Committee and specifically reported to the Board of Trustees at the next meeting of the Board of Trustees.
3. Be responsible for the welfare and effectiveness of the personnel who constitute the Staff of the Society. To this end, the Executive Director shall:
 - a. Administer the affairs and business of the Society.
 - b. Select, hire, evaluate, discipline, discharge or retain all members of the staff in accordance with the Personnel Policies and Practices manual. Staff changes shall be reported to the Board.
 - c. Within the limits of approved budget, establish or abolish positions and raise or lower salaries, except that of the Executive Director, and shall regularly report these to the President and the Treasurer.
4. Serve as an ex-officio member of all standing committees.
5. In cooperation with appropriate committees, be responsible for the operations of the Society's Library, Fine Arts and Artifacts, Photographic Collection, Awards and Honors, Publication and Education policies and programs, as approved by the Board of Trustees.

6. Prepare such reports as the Board or President require; submit to the Board a written annual report of the operation and business of the Society for the preceding year, and a statement of current goals and objectives for the Society for the forth coming year.
7. Make proposals to the Board for the implementation of the Society's policies or programs.
8. Direct and supervise professional practices such as acquisition, preservation, research, and presentation of all aspects of California history and the Society's collections.
9. In cooperation with the Board, identify potential funding sources and participate in solicitations.
10. Speak and write effectively on behalf of the organization.
11. Devise and implement educational programs, including the preparation and use of publications, exhibitions, public programs, and library facilities, encouraging active participation of the Board, staff, volunteers, allied organizations and the public in this process. All such programs or activities must have the general approval of the Board of Trustees.
12. Define and present to the Board long-range plans and objectives for the growth and development of the Society.
13. Attend all meetings of the Board as an advisory member except for such meetings in which the office, duties, evaluation or compensation of the Executive Director is to be discussed.

ARTICLE 6- COMMITTEES

Section 1- General Guidelines

The Board shall establish and dissolve such standing and ad hoc committees as needed to accomplish the goals of the Society in a changing world.

Committees shall be advisory and not exercise the authority of the Board of Trustees, with the exception of the Executive Committee, which operates under special circumstances as defined in Article 6, Section 2. The President may establish such ad hoc committees as may be required to fulfill specific needs of the Society.

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The following Standing Committees are hereby established but not limited to:

Audit Committee – Section 5
Committee on Trustees- Section 4
Collections Committee – Section 6
Executive Committee- Section 2
Finance Committee- Section 3

Section 2- Executive Committee

A. Authority and Responsibility

Act in the absence of the Board in a situation of emergency or urgency to adopt policies or take action as necessary in the best interest of the objectives of the Society, and report such actions to the Trustees at the next regular meeting of the Board; provided, however, the Executive Committee shall not take any of the actions that are described in California Corporations Code Section 5212.

B. Membership of the Executive Committee

The Executive Committee shall consist of these officers of the Board: President, Vice President(s), Treasurer and Secretary. The Executive Committee shall convene as necessary to conduct the business of the Society and to make timely recommendations to the Board consistent with the policies of the Board.

Section 3- Finance Committee

A. Authority and Responsibility

The functions of the Finance Committee shall include but not be limited to the following:

1. With the Executive Director, prepare the Annual Budget for the Society in accordance with the budget schedule determined by the Board of Trustees.
2. The Finance Committee Chair shall present to the Board of Trustees the budget approved and recommended by the Finance Committee. The presentation shall be made in accordance with the budget schedule determined by the Board of Trustees.
3. Review monthly financial reports and assist with control of current financial operations within the limit of the total approved budget and recommend, if it deems necessary and after consultation with the Executive Director, modifications to the budget as previously approved.

4. Review on a regular basis the Society's investment policies and report to the Board of Trustees actions and decisions of the Foundation Board.
5. Bring the Society's fiscal states and needs to the attention of the Foundation Board on which he/she serves as an ex-officio member at least once a year.
6. Ensure that appropriate insurance policies are in effect for the Society's collections, real estate, directors and staff's liability.

B. Membership of the Finance Committee

The Finance Committee shall consist of no less than 3 and no more than 7 members, the majority of which shall be Trustees including the Treasurer who shall serve as Chair of the Finance Committee. The members of the Finance Committee shall be nominated by the President and appointed by majority vote of the Trustees then in office.

Section 4-Committee on Trustees

A. Authority and Responsibility.

The Committee on Trustees shall be responsible for carrying out the responsibilities of the Committee on Trustees as set forth in these Bylaws, including, without limitations the responsibilities of the Committee on Trustees set forth in Article 4, Section 4, Subsection 2 (recruiting qualified candidates to trusteeship), Subsection 3 (presentation of nominees to the Board of Trustees), Subsection 8 (acting in the capacity of the Election Board), Subsection 9 (submitting to the Board of Trustees a slate of Officers) and Subsection 10 (handling individual problems with Trustees), Section 13 (nomination of Officers to fill vacancies), and Section 15 (recommendation for removal of officers), Article 6, Article 8 (Amendment to Bylaws) and such other duties and responsibilities as may be requested by the Board of Trustees from time to time consistent with the general function of the Committee on Trustees and as proscribed by these Bylaws.

B. Membership of the Committee on Trustees.

The President shall annually nominate a Committee on Trustees to consist of no fewer than five members selected from the current Trustees. One of the nominees shall be designated by the President as the Chair of the Committee. The members of the Committee as so nominated by the President shall be appointed by majority vote of the Trustees then in office. The Trustees shall also ratify the selection of the Chair of the Committee as designated by the President.

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Section 5 – Audit Committee

A. Authority and Responsibility.

The Audit Committee's duties shall include:

- (i) Assisting the Board of Trustees in choosing an independent auditor and recommending termination of the auditor, if necessary;
- (ii) Negotiating the auditor's compensation;
- (iii) Conferring with the auditor regarding the Society's financial affairs; and
- (iv) Reviewing and accepting or rejecting the audit.

B. Membership of the Audit Committee.

The President shall annually nominate three Trustees to the Audit Committee, which nominees shall be appointed by majority vote of the Trustees then in office. The President may further appoint non-voting advisors. Trustees who are employees or officers of the Society or who receive, directly or indirectly, any consulting, advisory or other compensatory fees from the Society may not serve on the Audit Committee. A majority of the members of the Audit Committee may not concurrently serve as members of the Finance Committee, and the Chair of the Audit Committee may not serve on the Finance Committee. The Audit Committee shall select its Chair by majority vote.

Section 6 – Collections Committee

A. Authority and Responsibility.

The Collections Committee shall advise Trustees, management and employees on policies, procedures and actions related to the California Historical Society collection of historical materials. The Collections Committee shall monitor policies, procedures and actions to ensure that California Historical Society meets the highest professional and ethical standards in acquisition, management, care and disposal of its collections.

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B. Membership of the Collections Committee.

The President shall nominate no less than five and no more than nine members to serve on the Collections Committee, at least three of whom shall be Trustees. The President shall designate one of the Trustees to serve as the Committee's Chair. The nominees shall be appointed by majority vote of the Trustees then in office. The Trustees shall also ratify the selection of the Chair of the Committee as designated by the President. Members of the Committee shall be knowledgeable and experienced in library, archival and museum collections, as well as California history.

ARTICLE 7- GENERAL PROVISIONS

The fiscal year of the Society shall be from July 1 to June 30.

ARTICLE 8- AMENDMENTS TO BYLAWS

Except as provided in California Corporations Code Section 5151 (number of directors), Section 5220 (increasing Trustee's terms of office), and Section 5224 (filling vacancies on the Board occurring by removal), the bylaws may be adopted, amended or repealed by the Board provided that a written notice of the proposed change has been submitted to the Board. The Committee on Trustees shall serve as necessary to periodically review and updated recommendations to the Board. A Bylaw Review Committee as an ad hoc committee may also be appointed by the President if extensive revisions are necessary.

ARTICLE 9- INDEMNIFICATION

Section 1- Definition Applicable to the Article

For the purposes of this Sections, "Agent" means any person who is or was a trustee, director, officer, employee or other agent of the corporation, or is or was serving at the request of the corporation as a trustee, director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a trustee, director, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of such predecessor corporation: "Proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, except as provided in subsection (j); and "Expenses" includes, without limitation, attorneys' fees and any expenses of establishing a right to indemnification under subsection (d) or (e) (3).

Section 2- Actions Brought by Person other than the Corporation

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The corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any Proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that such person is or was an Agent of the corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any Proceeding by judgment, order settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3- Actions Brought by or on Behalf of the Corporation

The corporation shall indemnify any person who was or is a party or is threatened to be made a party, to any threatened, pending or completed action by or in the right of the corporation, or brought under Section 5233 of the California Nonprofit Corporation Law or brought by the Attorney General for any breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an Agent of the corporation, against Expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this subsection

1. In respect of any claim, issue or matter as to which such person shall have been-adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine.
2. Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval.
3. Of expenses incurred in defending a threatened or pending action, which is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General.

Section 4- Indemnification where Agent Successful on Merits

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To the extent that an Agent of the corporation has been successful on the merits in defense of any Proceeding referred to in subsection (b) or (c) in defense of any claim, issue or matter therein, the Agent shall be indemnified against Expenses actually and reasonably incurred by the Agent in connection therewith.

Section 5- Procedure for Approval of Indemnification

Except as provided in subsection (d), any indemnification under this Section shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the Agent is proper in the circumstances because the Agent has met the applicable standard conduct set forth in subsection (b) or (c), by:

1. A majority vote of a quorum consisting of trustees who are not parties to such Proceeding.
2. Approval of the members with the persons to be indemnified not being entitled to vote thereon.
3. The court in which such Proceeding is or was pending upon application made by the corporation or the Agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the Agent, attorney or other person is opposed by the Corporation.

Section 6- Advancement of Expenses to Agent

Expenses incurred in defending any Proceeding may be advanced by the corporation prior to the final disposition of such Proceeding upon receipt of an undertaking by or on behalf of the Agent to repay such amount unless it shall be determined ultimately that the Agent is entitled to be indemnified as authorized in this Section.

Section 7- Limitations on Corporation's Power to Indemnify Agents

No indemnification or advance shall be made under this Section, except as provided in subsection (d) or (e) (3), in any circumstances where it appears:

1. That it would be inconsistent with a provision of the Articles, these Bylaws, a resolution of the members or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the Proceeding in which the Expenses were incurred or other amount were paid, which prohibits or otherwise limits indemnification.
2. That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 8- Insurance of Agents by Corporation

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The corporation shall have power to purchase and maintain insurance on behalf of any Agent of the corporation against any liability asserted against or incurred by the Agent in such capacity or arising out of the Agent's status as such whether or not the corporation would have the power to indemnify the Agent against such liability under the provision of this Section; provided, however, that the corporation shall have no power to purchase and maintain such insurance to indemnify any Agent of the corporation for a violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law.

Section 9- Scope of this Article

No provisions made by the corporation to indemnify its or its subsidiary's trustees, directors or officers for the defense of any Proceeding, whether contained in the Articles, these Bylaws, a resolution of the trustees, an agreement or otherwise, shall be valid unless consistent with this Section. Nothing contained in this Article shall affect any right to indemnification to which persons other than such trustees, directors and officers may be entitled by contract or otherwise.

Section 10- Fiduciaries of Employee Benefit Plan

This article does not apply to any Proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent as defined in this Article. The Corporation shall have power to indemnify such a trustee, investment manager or other fiduciary to the extent permitted by Section 207(f) of the California General Corporation Law.

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