

**BYLAWS OF THE
"ROTARY DISTRICT 5240 CHARITABLE FOUNDATION"
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION
ROTARY DISTRICT 5240 CHARITABLE FOUNDATION**

California Nonprofit Public Benefit Corporation

The name of this corporation shall be ROTARY DISTRICT 5240 CHARITABLE FOUNDATION.

**ARTICLE I
OFFICES OF THE CORPORATION**

1.1 Principal Office: The principal office for the transaction of the activities and affairs of the corporation (principal office), is located at 3394 Bryan Avenue, Simi Valley, Ventura County, California 93063.

1.2 Change of Address: The board of directors (board) may change the principal office from one location to another. Any change of this location of the principal office shall be noted by the secretary on these bylaws opposite this Section, or this Section may be amended to state the new location.

1.3 Other Offices: The board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

**ARTICLE II
PURPOSES AND LIMITATIONS**

2.1 Purposes: This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes. The specific purposes for which this corporation is organized is to benefit charitable programs, including, but not limited to, education scholarships, community events, parks and recreation events, youth programs, senior citizen programs, programs for mentally and physically disadvantaged, and other health and humanity needs.

This corporation is organized exclusively for charitable and educational purposes, within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States internal revenue law. Notwithstanding any other provision in the Articles of Incorporation, this corporation shall not, except to any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States internal revenue law, or (b) by a corporation, contributions to which are deductible under section 170 (c) (2) of the Internal Revenue Code of 1954 or the corresponding

provision of any future United States internal revenue law.

2.2 Limitations: No substantial part of the activities of this corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation, except as provided in Section 501 (h) of the Internal Revenue Code of 1986, and this corporation shall not participate in or intervene in (including publishing or distributing statements) any political campaign on behalf of or in opposition to any candidate for public office.

All corporate property is irrevocably dedicated to the purposes set forth above. No part of the net earnings of this corporation shall inure to the benefit of any of its directors, trustees, officers, private shareholders or members, or to individuals.

On the winding up and dissolution of this corporation, after paying or adequately providing for the debts, obligations and liabilities of the corporation, the remaining assets of this corporation shall be distributed to such organization (or organizations) organized and operated exclusively for charitable, or educational purposes, which has established its tax-exempt status under Section 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States internal revenue law) and which has established its tax-exempt status under section 23701d of the California Revenue and Taxation Code (or the corresponding section of any future California revenue and tax law).

ARTICLE III MEMBERS

3.1 This corporation shall have no members

ARTICLE IV DIRECTORS

A. Powers

4.1 General Corporate Powers: Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the board.

4.2 Specific Powers: Without prejudice to the general powers set forth above, but subject to the same limitations, the directors shall have the power to:

4.2(a) Appoint and remove, at the pleasure of the board, all the corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with law, with the articles of incorporation, and with these bylaws; and fix their compensation and require from them security for faithful performance of their duties.

4.2(b) Change the principal office or the principal business office in California from one location to another; and cause the corporation to be qualified to conduct its activities in any other state, territory, dependence, or country and conduct its activities within or outside California.

4.2(c) Adopt and use a corporate seal, and alter the forms of the seal and certificates.

4.2(d) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purpose, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges hypothecations and other evidences of debt and securities.

B. Number and Qualification of Directors

4.3 Authorized Number of Director: The board of directors shall consist of seven (7) individuals all of whom must be members in good standing of a Rotary Club in District 5240 duly chartered by Rotary International, Inc.

4.4 Selection of Directors: Each successive District Governor of Rotary District 5240 shall appoint two (2) members to the board of directors. One of these members so appointed by each governor may be the District Governor him (her) self. The six board members appointed by the District Governors shall, at three year intervals at the first meeting of the year select an additional (seventh) director who will serve a three year term commencing on July 1 of the year he/she is appointed.

4.5 Term of Directors: Each member of the board of directors shall serve a three (3) year term commencing on July 1 of the year that the District Governor appointing him/her takes office as District Governor of Rotary District 5240. Each director may continue his/her term until a successor is duly appointed in accordance with these bylaws.

4.6 (Delete section as OBE)

C. Vacancies on Board

4.6 Events Causing Vacancy: A vacancy or vacancies on the board shall exist on the occurrence of the following:

4.6(a) the death or resignation of any director;

4.6(b) the declaration by resolution of the board of a vacancy in the office of a director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order of judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law;

4.6(c) the vote of a majority of the members of the board of directors to remove any director(s);

4.6(d) the increase of the authorized number of directors;

4. 6(e) the completion of a director's term of office; or three consecutive absences from regular meeting by any director;

4.7 Resignations: Except as provided below, any director may resign by giving written notice to the chair of the board, if any, or to the president or the secretary of the board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. The board shall elect a successor to take office as of the date when the resignation becomes effective. The successor director shall serve out the remainder of the term, and is eligible for re-election by the board members at the annual meeting. Except on notice to the Attorney General of

California, no director may resign if the corporation would be left without a duly elected director or directors.

4.8 Filling Vacancies: In the event of a vacancy on the board of directors the District Governor of Rotary District 5240 who made the appointment of the person filling the vacancy shall appoint a successor. If the vacancy is that of the seventh director elected by the Board, the entire board shall vote to choose the replacement to serve the balance of the three year term vacated.

4.9 No Vacancy on Reduction of Number of Directors: No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

D. Directors' Meetings

4.10 Place of Meetings: Meetings of the board shall be held at any place within or outside California that has been designated by resolution of the board or in the notice of the meeting or, if not so designated, at the principal office of the corporation.

4.11 Meetings by telephone/electronic means: Any meeting may be held by conference telephone or similar communication equipment such as internet conference, as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person as such a meeting.

4.12 Annual Meeting: The board shall hold a regular annual meeting for purposes of organization, election of officers for the Fiscal Year starting July 1, and transaction of other business. Notice of this meeting is required 14 days in advance. This meeting shall be held prior to June 30 of each year.

4.13 Regular and Special Meetings:

4.13(a) Authority to Call: Special meetings of the Board for any purpose may be called at any time by the president or any vice president, or the secretary or any two (2) directors

4.13(b) Notice

4.13(b)(1) Manner of giving Notice: Notice of the time and place of special meetings shall be given to reach director by one of the following methods:

(a) by personal delivery of written notice; (b) by first-class mail, postage prepaid; (c) by telephone, either directly to the director or to a person at the director's office who would be reasonably be expected to communicate that notice promptly to the director; or (d) by email. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.

4.13(b)(2) Time Requirements: Notices sent by first class mail shall be deposited in the United States mails at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or email shall be delivered, telephoned, or emailed at least 48 hours before the time set for the meeting.

4.13(c) Notice Contents: The notice shall state the time of the meeting, and the place if the place is other than the principal office of the corporation. It need not specify the purpose of the meeting.

4.14 Quorum: A simple majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn and also except to amend the Bylaws, which shall require a simple majority plus one. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to

4.14(a) approval of contracts or transactions in which a director has a direct or indirect material financial interest,

4.14(b) approval of certain transactions between corporations having common directorships,

4.14(c) creation of and appointments to committees of the board, and

4.14(d) indemnification of directors.

A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

4.15 Waiver of Notice: Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

4.16 Adjournment: A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

E. Action Without Meeting

4.17 Action without Meeting: Any action that the board is required or permitted to take may be taken without a meeting if all members of the board consent in writing to the actions; provided, however, that the consent of any director who has a material financial interest in a transaction to which the corporation is a party and who is an "interested director" as defined in section 5233 of the California Corporations Code shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the

board. All such consents shall be filed with the minutes of the proceeding of the board.

F. Compensation

4.18 Directors shall receive no compensation for their services as directors.

G. Committees

4.19 Committees of the Board: The board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees each consisting of two or more directors to serve at the pleasure of the board.

Appointments to committees of the board shall be by majority vote of the directors then in office. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the board resolution, shall have all the authority of the board, except that no committee, regardless of the board resolution, may:

4.19(a) Fill vacancies on the board or on any committee that has the authority of the board;

4.19(b) Fix compensation of the directors for serving on the board or on any committee;

4.19(c) Amend or repeal bylaws or adopt new bylaws;

4.19(d) Amend or repeal any resolution of the board that by its express terms is not so amendable or repealable;

4.19(e) Create any other committees of the board or appoint the members of committees of the board; or

4.19(f) Approve any contract or transaction to which the corporation is a party and in which one or more of its directors has a material financial interest, except as special approval is provided for in Section 5233(d) (3) of the California Corporations Code.

4.20 Meetings and Actions of Committees:

Meetings and actions of committees of the board shall be governed by, held, and taken in accordance with the provisions of these bylaws concerning meetings and other board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by board resolution or, if there is none, by resolution of the committee of the board. Minutes of each meeting of any committee of the board shall be kept and shall be filed with the corporate records. The board may adopt rules for the government of any committee, provided they are consistent with these bylaws or, in the absence of rules adopted by

the board, the committee may adopt such rules.

ARTICLE V OFFICERS

A. Officers of the Corporation

5.1 The Officers of the corporation shall be a president, a president elect, a secretary and a Chief Financial Officer. The corporation may also have, at the board's discretion, one or more assistant secretaries, one or more assistant Chief Financial Officers, and such other officers as may be appointed in accordance with these bylaws. Any number of offices may be held by the same person, except that neither the secretary nor the chief financial officer may serve concurrently as the president.

B. Election of Officers

5.2 The officers of the corporation shall be chosen annually by the board and shall serve at the pleasure of the board, subject to the rights, if any, of any officer under any contract of employment.

C. Other Officers

The board may appoint and may authorize the president, or other officers, to appoint any other officers that the corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified by the by laws or determined by the board.

D. Removal of Officers

5.4 Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the board and also, if the officer was not chosen by the board, by any officer on whom the board may confer that power of removal.

E. Resignation of Officers

5.5 Any officer may resign at any time by giving written notice to the corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise, specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

F. Vacancies in Office

5.6 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 appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

G. Responsibilities of Officers

5.7 President: Subject to the control of the board, the president shall be the general manager of the corporation and shall supervise, direct and control the corporation's activities, affairs, and officers. The president shall preside at all board meetings and shall have such other powers and duties as the board or the bylaws may prescribe.

5.8 President Elect: If the president is absent or disabled, the president elect shall perform all duties of the president. When so acting the president elect shall have all powers of and be subject to all restrictions on the president. The president elect shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

5.9 Secretary:

5.9(a) Book of Minutes: the secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings, and actions of the board and of committees of the board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, special, and if special how authorized, the notice given and the names of those present at board and committee meetings. The secretary shall keep or cause to be kept, at the principal office in California, a copy of the articles of incorporation and bylaws as amended to date.

5.9(b) Notices, Seal, and other duties: The secretary shall give, or cause to be given, notice of all meetings of the board and committees of the board required in these bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the board or the bylaws prescribe.

5.9(c) The Secretary shall by July 30 of each year file an updated report (Statement of Information, form SI-100) with the California Secretary of State identifying the officers of the Foundation (corporation) for the new fiscal year. On the odd numbered years, this report is made by a form from the Secretary of State and a fee is paid to the state.

5.10 Chief Financial Officer

5.10(a) Book of Accounts: The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Chief Financial Officer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board. The book of accounts shall be open to inspection by any director at all reasonable times.

5.10(b) Deposit and Disbursement of Money and Valuables: The Chief Financial Officer shall deposit, or cause to be deposited, all money and other valuables in the

name and to the credit of the corporation with such depositories as the board may designate, shall disburse the corporation's funds as the board may order, shall render to the president, chair of the board, if any, and the board, when requested, an account of all transactions as Chief Financial Officer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

5.10(c) Bond: If required by the board, the Chief Financial Officer shall give the corporation a bond in the amount and with the surety or sureties specified by the board for the faithful performance of the duties of the office and for restoration to the corporation of all of its books, papers, vouchers, money and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her death, resignation, retirement, removal from office.

5.10(d) The Chief Financial Officer shall be responsible to file the appropriate Federal and State Tax Returns and the Registration Renewal Form (RRF-1) required by the California State Attorney General for the registration of Charitable Trusts together with the required fees not later than November 15 of each year.

ARTICLE VI INDEMNIFICATION

A. Right of Indemnity

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

B. Approval of Indemnity

6.2 On written request to the board by any person seeking indemnification under section 5238(b) or section 5238(c) of the California Corporation Code, the board shall promptly determine under section 5238(e) of the California Corporation Code whether the applicable standard of conduct set forth in section 5238(b) or section 5238(c) has been met and, if so, the board shall authorize indemnification.

C. Advancement of Expenses:

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

ARTICLE VII INSURANCE

7.0 The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred by any officer, director employee or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status at such.

ARTICLE VIII RECORDS AND REPORTS

A. Maintenance of Corporate Records

The corporation shall keep:

8.1(a) Adequate and correct books and records of accounts.

8.2(b) Written minutes of proceedings of its board and committees of the board

B. Inspection by Directors

8.3 Every director shall have the absolute right at any reasonable time to inspect the corporation's books, records, documents of any kind, physical properties, and the records of each of its subsidiaries. The inspection may be made in person or by the director's agent or attorney. The right to inspections includes the right to copy and make extracts of documents.

C. Annual Report:

8.4 The board shall cause an annual report to be sent to the directors within 120 days after the end of the corporation's fiscal year. The report shall contain the following information, in appropriate detail, for the fiscal year:

8.4(a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.

8.4(b) The principle changes in assets and liabilities, including trust funds.

8.4(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes.

8.4(d) The expenses or disbursements of the corporation for the corporation for both general and restricted purposes.

8.4(e) The Secretary shall report that the Corporate status has been updated with the California Secretary of State and the Chief Financial Officer shall report that tax returns have been filed and the RRF-1 form submitted and any other information specifically required by these bylaws or by a duly adopted resolution of the board of directors.

8.5 The annual report shall be accompanied by any report on it of independent accountants or, if there is no such report, by the certificate of an

authorized officer of the corporation that such statements were prepared without audit from the corporation's books and records.

8.6 This requirement of an annual report shall not apply if the corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report much be furnished annually to all directors who request it in writing.

D. Annual Statement of Certain Transactions and Indemnifications

8.7 As part of the annual report or a separate document if no annual report is issued, the corporation shall annually prepare and furnish to each director a statement of any transaction on indemnification of the following kind within 120 days after the end of the corporation's fiscal year:

8.7(a) Any transactions

- (i) in which the corporation, its parent, or its subsidiary was a party,
- (ii) in which an "interested person" had a direct or indirect material financial interest, and
- (iii) which involved more that \$50,000, or was one of a number of transactions with the same "interested person" involving, in the aggregate, more than \$50,000, or was one of a

number of transactions with the same "interested person" involving, in the aggregated, more than \$50,000. For this purpose, an "interested person" is either of the following

8.7(a) 1. Any director or officer of the corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest) or

8.7(a) 2. Any holder of more than 10 percent of the voting power of the corporation, its parent, or subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the corporation, the nature of their interest in the transaction and, if practicable, the amount of the interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

8.7(b) any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation under these bylaws.

ARTICLE IX CONSTRUCTION AND DEFINITIONS

9.1 Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine genders includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

ARTICLE X AMENDMENTS

A. Amendment by Board

10.1 Membership Rights Limitation: Subject to the limitations set forth below, the board may adopt, amend, or repeal bylaws.

10.2 High Vote Requirement: If any provision of these bylaws required the vote of a larger proportion of the board than is otherwise required by law that provision may not be altered, amended, or repealed except by the greater vote.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of

Rotary District 5240 Charitable Foundation

a California nonprofit public benefit corporation, that the above bylaws consisting of fourteen (14) pages, are the bylaws of this corporation as adopted by the board of Directors on May 29, 2009 and that they have not been amended or modified since that date.

Executed on May 29, 2009 at Ojai California

Jane S. McClenahan
Secretary