

BYLAWS
OF
FUND FOR SANTA BARBARA, INC.

ARTICLE I. OFFICES

Principal Office

Section 1.01. The principal office of the Corporation for its transaction of business is located at, 924 Anacapa St., Suite 4H in the City of Santa Barbara, State of California.

Change of Address

Section 1.02. The Board of Directors is hereby granted full power and authority to change the principal office of the Corporation from one location to another in California. Any such change shall be noted by the Secretary in the Bylaws, but shall not be considered an amendment to these Bylaws.

ARTICLE II. PURPOSES

Section 2.01. The primary objective and purpose of this Corporation is to provide resources to organizations and projects in Santa Barbara County involved in promoting progressive social change at the grassroots level, educating the community about social and economic conditions and organizing people to confront fundamental problems affecting their lives.

ARTICLE III. MEMBERS

No Members

ARTICLE IV. DIRECTORS

Number

Section 4.01. The Corporation shall have up to twenty-one (21) Directors. Collectively, the Directors shall be known as the Board of Directors.

Qualifications

Section 4.02. The Directors of the Corporation shall be persons who have demonstrated ability to contribute time, effort or resources to the-goals, purposes and activities of the Fund for Santa Barbara.

Notwithstanding any other provision of these Bylaws, no person serving on the Board may be interested persons. For purposes of this Section, "interested person" means either:

(a) Any person currently being compensated by the Corporation for services rendered to it within the previous twelve months, whether as a full or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director for actual and necessary expenses incurred in the performance of their regular duties pursuant to Section 4.06, 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 such person.

Term of Office

Section 4.03. Each Director shall hold office for the term of three (3) years. No director may serve more than two (2) consecutive terms. Following two consecutive terms, a director must relinquish the office for one year before becoming eligible for reelection to the office of director.

Nomination

Section 4.04. Any person qualified to be a Director under Section 4.02 of these Bylaws may be nominated by the method of nomination authorized by the Board or by any other method authorized by law.

Election

Section 4.05. Directors may be elected at any regular meeting of the Board as prescribed by Section 4.07 of these Bylaws. The candidates receiving the highest number of votes up to the number of Directors to be elected are elected.

Compensation

Section 4.06. The Directors shall serve without compensation except that subject to guidelines to be adopted by the Board of Directors they may be allowed and paid their actual and necessary expenses incurred in attending the meetings of the Board or in carrying out their regular duties as a member of the Board of Directors.

Meetings

Section 4.07.

(a) Place of Meetings. All meetings of the Board shall be held at the principal office of the Corporation as specified in Section 1.01 of these Bylaws or as changed from time to time as provided in Section 1.02 of these Bylaws unless otherwise designated from time to time by resolution of the Board of Directors. In the absence of such designation, any meeting not held at the principal office of the Corporation shall be valid only if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the Corporation or after all Board members have been given written notice of the meeting as hereinafter provided for special meetings of the Board.

(b) Regular and Annual Meetings. Regular meetings of the Board of Directors shall be held, with notice a minimum of four times per year at a place determined by resolution of the Board.

(c) Special Meetings. Special meetings of the Board may be called by the President or any Vice-President or Secretary or any two (2) Directors. Special meetings shall be held on four (4) days' notice by first-class mail, postage prepaid, or on forty-eight (48) hours' notice delivered personally or by telephone or telefax. Such notices shall be addressed to each Director at his or her address shown on the books of the Corporation and specify the place, day and time of the meeting. The purpose(s) of such a meeting must be specified in such notice. Notice of the special meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of such notice to such Director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Business transacted at special meetings must be limited to the subjects set forth in the meeting notice.

(d) Quorum. One-third (1/3) of the authorized number of Directors constitutes a quorum of the Board of Directors for the transaction of business, except as hereinafter provided.

(e) Transactions of the Board. Except as otherwise provided in the Articles, in these Bylaws, or by law, including but not limited to provisions of the California nonprofit Public Benefit corporation Law relating to appointment of committees (Section 5212), approval of contracts or transactions in which a director has a material financial interest (Section 5233) and indemnification of Directors (Section 5238(e)), every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board of Directors, Any meeting at which a quorum was initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken shall be approved by at least a majority of the required quorum for such meeting, or such greater number as is required by law, the Articles or these Bylaws.

(f) Conduct of Meetings. The President or, in his or her absence, the Vice-President, of the Corporation shall preside at meetings of the Board of Directors. In the absence of either of these persons, any Director selected by the majority of the Directors present shall preside at meetings of the Board of Directors. The Secretary of the Corporation or, in the Secretary's absence, any person appointed by the presiding officer, shall act as Secretary of the

Board. Members of the Board of Directors may participate in a meeting through the use of a conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Such participation shall constitute personal presence at a meeting. Meeting shall be governed by Robert's Rules of Order, as such Rules may be revised from time to time, insofar as such Rules are not inconsistent with or in conflict with the Bylaws or Articles of Incorporation of this Corporation or with provisions of law.

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

Action Without Meeting

Section 4.08. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board of Directors individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors. Such action by written consent shall have the same force and effect as the unanimous vote of such Directors. For purpose of this section, "all members of the Board of Directors" shall not include any "interested directors" as defined by Corporations Code section 5233.

Removal of Directors

Section 4.09.

(a) Removal for Cause. The Board of Directors may declare vacant the office of a Director on the occurrence of any of the following events:

- (1) The Director has been declared in need of a guardian or conservator by a final order of court; or**
- (2) The Director has failed to attend three (3) consecutive meetings or six (6) meetings in a twelve (12) month period prior, unless such Director has requested and received a leave of absence from the Board. At the following Board meeting, the remaining Directors may agree, by a majority of the Directors present, to reinstate a Director removed by this provision.**
- (3) The Director is convicted by any court of competent jurisdiction, of committing a felony.**
- (4) The Director is found by a final order or judgment of any court of competent jurisdiction, to have breached the statutory duties relating to a Directors standard of conduct as proscribed by California Corporations Code sections 5230-37 and 5221.**

(b) **Removal Without Cause.** Any Director may be removed without cause if such removal is approved by the Board of Directors within the meaning of Section 5023 of the Corporations Code.

Resignation of Director

Section 4.10. Any Director may resign effective upon written notice to the President, the Secretary, or the Board of Directors of the Corporation, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective. A Director shall not resign where the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.

Vacancies of Director

Section 4.11.

(a) **Causes.** Vacancies of the Board of Directors shall exist on the death, resignation or removal of any Director; whenever the number of Directors authorized is increased; and on the failure of the members in any election to elect the full number of Directors authorized.

(b) **Filling Vacancies.** Except for a vacancy created by the removal of a Director pursuant to Section 4.09 of these Bylaws, vacancies on the Board of Directors may be filled by a majority vote of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director.

Non-Liability of Directors

Section 4.12. The Directors shall not be personally liable for the debts, liabilities or other obligations of the Corporation.

Indemnification by Corporation of Directors, Officers, Employees and Other Agents

Section 4.13. To the extent that a person, who is, or was, a Director, Officer, employee or other agent of this Corporation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or as, an agent of the Corporation, such person may, in the sole discretion of the Board of Directors, be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustained a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings in the sole discretion of the Board of