

**BY-LAWS
OF THE
MONTCLAIR VILLAGE ASSOCIATION OF OAKLAND
A CALIFORNIA PUBLIC BENEFIT CORPORATION**

**ARTICLE I
OFFICES**

SECTION 1. PRINCIPAL OFFICE

The principal office of the corporation for the transaction of its business is located in Alameda County, California.

SECTION 2. CHANGE OF ADDRESS

The county of the corporation's principal office can be changed only by amendment of these Bylaws and not otherwise. The Board of Directors may, however, change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed an amendment of these Bylaws:

**ARTICLE II
PURPOSES**

SECTION 1. OBJECTIVES AND PURPOSES

The primary objectives and purposes of this corporation shall be:

- a) To bring about the revitalization of the Montclair Village of the City of Oakland and its surrounds.
- b) To bring about the investment of private and public capital within the Montclair Village and its surrounds for public benefit and charitable purposes.
- c) To bring about the increased provision of quality public improvements and educational, cultural, artistic, charitable, and social services within the Montclair Village and its surrounds for the public benefit and charitable purposes.
- d) To bring about the increased economic well being of residents, employees, and businesses within the Montclair Community and its surrounds.
- e) To promote business improvement within the Montclair Village and community through activities which contribute to the economic and promotional well-being of the community. Promotion of business includes, but is not limited to, those activities set out in the California Parking and Business Improvement Law and its successors which are; general promotion of business activities in the area, the acquisition, construction or maintenance of parking facilities for the benefit of the area, decoration of any public places in the area, and furnishing of music in any public place in the area. Business improvements also include any

other related activities which will directly improve the economic prosperity of business within the Montclair Village.

ARTICLE III

VOTING DELEGATES AND ASSOCIATE SUPPORTERS

SECTION 1. VOTING DELEGATES AND ASSOCIATE SUPPORTERS

The broadest participation of the business, property owner, civic and residential community is desired by the corporation in effecting its objectives and purposes. To further this objective the bylaws establish the rules that follow:

- a) Holders of a valid and fully paid City of Oakland Business Tax Certificate, or if not applicable, functioning businesses who have fully paid their Montclair Business Improvement District fees, consistent with the provisions, boundaries and exemptions provided for in the Montclair Business Improvement District, shall be eligible to appoint a representative for election as a *Voting Delegate*. In absence of a written appointment of a different individual, the name appearing on a valid and effected Montclair Business Tax certificate shall be the business representative.
- b) Persons, associations, governmental agencies, and corporations who desire to support the corporation's objectives and purposes may be eligible for *Associate Supporter* status under written rules and policies established by the directors. Associate supporters *shall not be eligible* to be a voting delegate.
- c) The Directors shall annually select or appoint *Voting Delegates*. The Directors shall request from the City of Oakland a list of holders of a valid and **fully** paid City of Oakland Business Tax Certificate for the Montclair Business Improvement District as of the last day of April of each year. The Montclair Village Association shall also consider as voting delegates functioning businesses within the district who 1) are exempt from holding a valid Oakland business tax certificate and 2) have fully paid their designated annual assessments into the- Montclair Business Improvement District. All listed holders of a valid and fully paid City of Oakland Business Tax Certificate and/or those businesses who have fully paid Montclair B.I.D. fees shall be eligible for selection as *voting delegates* at the June meeting of the Directors. A majority vote of the Directors shall appoint eligible Voting Delegates as eligible voters in the annual election of directors.

SECTION 2. MEMBERS IN GENERAL

- a) This Corporation shall have no members, as that term is defined in section 5056 of the California Nonprofit Corporation Law. Unless otherwise provided herein or in the California Nonprofit Public Benefit Corporation Law, any action which would otherwise require approval by a majority of all members shall require only approval of the Board of Directors.
- b) "Delegates" are not members nor are they vested in any rights other than provided by majority action of the Directors. The Board of Directors shall elect new Directors and anything in these bylaws which gives the appearance of incidence of membership is merely an accommodation to promote community participation.

**ARTICLE IV
ELECTION OF DIRECTORS**

SECTION 1. ELECTION METHOD

- a) The Board of Directors may determine each April whether elections are to be conducted by written ballot by Delegates or at the Annual meeting.
- b) In absence of a determination, the method of selection shall be by written ballot by Delegates and confirmed by vote of the Directors.

SECTION 2. NOMINATING COMMITTEE.

- a) The President, shall appoint a committee to propose qualified candidates for election to the Directors at the May Directors meeting or at least 45 days before the date of any election of Directors. The Nominating Committee shall consist of at least three members. The Secretary shall forward to each potential Delegate, a notice of the Annual meeting, a list of Board seat openings and method of nomination. The Secretary's Annual meeting notice and nomination materials should be mailed within 14 days following the May meeting to each Director and potential Delegate. The Secretary shall mail to all eligible Montclair businesses, an election notice and materials and petition forms concerning the elections for Directors and require the receipt of completed petitions no later than the June Director's meeting. The notice should clearly indicate that the Directors will consider, at the June Director's meeting, the eligibility of businesses to serve as voting Delegates and for the Annual meeting. A notice of these materials should be published in a newspaper of general circulation and these materials may be a portion of the corporation newsletter, if mailed by first class postage.
- b) Potential Delegates, representing at least ten (10) businesses or two percent of the potential delegates, whichever is less, may nominate candidates for Directorships at any time before the June Director's meeting preceding such election. On timely receipt-of a petition signed by the required number of businesses, the Secretary shall cause the names of those candidates named on it to be placed on the ballot.
- c) At the June Director's meeting the Directors will consider a report from the Secretary on a list of potential delegates. The Directors will consider delegate qualifications as Montclair businesses and by the status of their fully paid BID fees. All delegates found eligible and selected may be appointed to vote on Directors and participate in the annual meeting. Montclair businesses present at the June Directors meeting should review the Secretary's list and bring to the Directors attention any concerns regarding eligibility of a business's representative to serve as delegates.
- d) Following the Secretary's report the Nominating Committee report shall be considered. Additional nominations may be made, by Directors, or from the floor provided that the nominee so named is a delegate in good standing and has, if absent, submitted in writing a statement indicating their interest in serving or is present. The Directors will adopt a recommended slate of Candidates, close nominations, and order the preparation of a written ballot. The form of the written ballot may provide a recommended slate by majority vote of the Directors and may contain proposals for consideration by the delegates.

e) Following this meeting and no later than the 30th of June, a written ballot shall be prepared and mailed which lists Candidates for the Board of Directors and any proposals to be submitted to the delegates for consideration. The written ballot may be accompanied with an annual report and/or any other materials authorized by the Directors. Written ballots shall be mailed by first class mail to all delegates of record as of the preceding May meeting, as confirmed by vote of the Directors. In order for a ballot to be counted it must be properly authenticated and received in a timely manner. Ballots may be hand delivered to the Corporation's principal office until 5:00 p.m. on the day designated by the Board or delivered by mail with a postmark at the principal office no later than two days prior to the annual meeting date designated by the Board.

f) Those eligible to vote may cast as many votes by written ballot as there are vacancies to be filled, provided however, no one may cast more than one (1) vote for any one (1) candidate. Candidates for Directors receiving the highest number of affirmative votes from eligible delegates shall be selected for Director election. Write-in candidates are not permitted. If a voting delegate casts more than one vote for any one Candidate or casts more votes than there are seats available, then the ballot will be invalid and not counted. Ties will be resolved at the Director's annual meeting. Preliminary results should be posted at the corporate office 24 hours (or a regular business day) after completion of the counting of the ballots, and at least 24 hours before the annual Director's meeting. Any protest must be filed with the Nominating Committee after the posting of the preliminary results and before the vote of the Director's election at the annual Board of Director's meeting.

h) At the July regular Director's meeting, or other time specified by the Board of Directors within the month of July, the Board of Directors will consider the voting results and elect Directors by a majority vote. If all vacancies should not be filled, then the remaining vacancies will be filled by the Directors. The Director's action confirming an election shall be final.

ARTICLE V DIRECTORS

SECTION 1. NUMBER and QUALIFICATIONS

a) The corporation shall have a minimum of five (5) and a maximum of seventeen (17) Directors and collectively they shall be known as the Board of Directors. The number may be changed by a majority vote of the Board of Directors, amendment of or by repeal of this Bylaw and adoption of a new Bylaw, as provided in these Bylaws. Directors must be the designated representative of a business operated in the Montclair Village which has a current and fully paid City of Oakland Business Tax Certificate, or if not applicable, at a minimum has fully paid into the Montclair Business Improvement District for the previous fiscal year.

b) The interim Board of Directors shall be self-appointed to conduct the first election of the Board by Delegates and Non-Delegates of the corporation. The interim Board of Directors may serve in that capacity for up to 24 months from the adoption of the ordinance creating the district, or until such time that an official election and mail balloting is conducted to the Business Improvement District voting delegates. The interim Board shall determine the number of vacant Board seats that will be filled during the first election consistent with the provisions of Article V, Section 1 (a).

SECTION 2. POWERS

Subject to the provisions of the California Nonprofit Public Benefit Corporation law, and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the members, if any, of this corporation, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

SECTION 3. DUTIES

It shall be the duty of the Directors to:

- a) Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this corporation, or by these Bylaws;
- b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the corporation;
- c) Supervise all officers, agents and employees of the corporation to assure that their duties are performed properly;
- d) Meet at such times and places as required by these Bylaws;
- e) Register their addresses with the Secretary of the corporation and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

SECTION 4. TERMS OF OFFICE

- a) Each Director shall hold office until the next annual meeting for election of the Board of Directors as specified in these Bylaws, and until his or her successor is elected and qualifies.
- b) Between five (5) and seventeen (17) Directors, as determined by the Interim Board, shall be elected in the first election in July 2003. Half of the elected Directors, based upon the highest number of votes received, shall serve on the Board for 2 year terms and half of the elected Directors, based upon the lower number of votes received, shall serve for one year terms.
- c) Thereafter Directors shall be elected for two year terms. Terms of Directors shall normally end at the July annual Director's meeting.

SECTION 5. COMPENSATION

Directors shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in attending Directors meetings, only after adoption of a written Board policy concerning this provision. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 3 of this Article. Directors may not be compensated for rendering services to the corporation in any capacity other than Director unless such other compensation is reasonable and is allowable under the provisions of Section 6 of this Article.

SECTION 6. RESTRICTION REGARDING INTERESTED DIRECTORS

Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons" means either:

- a) Any person currently being compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full-or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; 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.

SECTION 7. PLACE OF MEETINGS

Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board or at such place within or without the State of California which has been designated from time to time by resolution of the Board of Directors. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so as long as all Directors participating in such meeting can hear one another.

SECTION 8. REGULAR AND ANNUAL MEETINGS

- a) Regular meetings of Directors shall be held on a day specified by the Interim Board of Directors and later by the elected Board of Directors. The annual meeting shall be held at a time and place consistent with its monthly meetings, each July or August during the year.
- b) Each Board member shall be entitled to one (1) vote on each issue brought before the Board;
- c) If this corporation makes no provision for members, then, at the annual meeting of Directors held in July, Directors shall be elected by the Board of Directors in accordance with this section. *Cumulative voting by Directors for the election of Directors shall not be permitted.*
- d) The participatory method of annual election of Directors shall provide for delegates from the Montclair Village. Where Delegates are provided for, the bylaws shall set forth delegates terms of office, any reasonable method for delegates selection and removal, and any reasonable method for calling, noticing and holding meetings of delegates and may set forth the manner in which delegates may act by written ballot similar to Section 5513 of the California Corporations Code for written ballot of members. Delegates may only act personally at a meeting or by written ballot and may not act by proxy. Delegates may be given a name other than "delegates."
- e) As to Directors selected by Delegates, there shall be available to the Delegates reasonable nomination and election procedures given the nature, size and operations of the corporation. The procedures shall include:
 - (1) A reasonable means of nominating persons for election as Directors.
 - (2) A reasonable opportunity for a nominee to communicate to the delegates the nominee's qualifications and the reasons for the nominee's candidacy.

(3) A reasonable opportunity for all nominees to solicit votes.

(4) A reasonable opportunity for all Delegates to choose among the nominees.

SECTION 9. SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the President, the Vice President, the Secretary, or by any two Directors, and such meetings shall be held at the place, within or without the State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

SECTION 10. NOTICE OF MEETINGS

Special meetings of the Board shall be held **upon four (4) days' notice** by first-class mail or forty-eight (48) hours' notice delivered personally or by telephone, telegraph, fax or e-mail. If sent by mail, telegraph, fax or e-mail, the notice shall be deemed to be delivered on its deposit in the mails or on its delivery to the telegraph company. Such notices shall be addressed to each Director at his or her address as shown on the books of the corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than forty eight (48) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than forty eight (48) hours from the time of the original meeting.

SECTION 11. CONTENTS OF NOTICE

Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting. The purpose of any Board meeting need not be specified in the notice.

SECTION 12. VOTING AND QUORUM FOR MEETINGS

A quorum shall consist of a majority of the Board of Directors. There shall not be proxy voting by absent Board members. Each Director shall be entitled to cast one vote per issue on any business brought before the Board of Directors. Board members, duly elected, may designate a representative to vote on their behalf, at a regularly scheduled or special meeting of the Board. Written notification of the designated voting representative shall be given to the President or Secretary prior to the Board meeting where the designated rep is to be present.

Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a quorum, as hereinafter defined, is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn. However, a majority of the Directors present at such meeting may adjourn from time to time until the time fixed for the next regular meeting of the Board.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this corporation.

SECTION 13. CONDUCT OF MEETINGS

Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, or, if no such person has been so designated or, in his or her absence, the President of the corporation or, in his or her absence, by the Vice President of the corporation or, in the absence of each of these persons, by a Chairperson chosen by a majority of the Directors present at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Meetings shall be governed by Roberts 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 these Bylaws, with the Articles of Incorporation of this corporation, or with provisions of law.

SECTION 14. ACTION BY TWO THIRDS WRITTEN CONSENT WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if two-thirds of the members of the Board shall individually or collectively consent in writing to such action. Such written consent shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the majority vote of the Directors.

SECTION 15. VACANCIES

Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any Director, and (2) whenever the number of authorized Directors is increased.

The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under Section 5230 and following of the California Nonprofit Public Benefit Corporation Law.

If this corporation has no members, Directors may be removed without cause by a two-thirds majority of the Directors then in office.

Any Director may resign effective upon giving written or verbal notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation.

Vacancies on the Board may be filled by approval of the Board or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice complying with this Article of these Bylaws, or (3) a sole remaining Director.

A person elected to fill a vacancy as provided by this Section shall hold office until the next annual election of the Board of Directors or until his or her death, resignation or removal from office.

SECTION 16: NON-LIABILITY OF DIRECTORS

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

SECTION 17. INDEMNIFICATION BY CORPORATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

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 was, an agent of the corporation, or has been successful in defense of any claim, issue or matter, therein, such person shall 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 sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation but only to the extent allowed by, and in accordance with the requirements of, Section 5238 of the California Nonprofit Public Benefit Corporation Law.

SECTION 18. INSURANCE FOR CORPORATE AGENTS

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director, officer, employee or other agent of the corporation) against any liability other than for violating provisions of law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) 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 provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

**ARTICLE VI
OFFICERS**

SECTION 1. NUMBER OF OFFICERS

The officers of the corporation shall be a President, a Vice President, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The corporation may also have, as determined by the Board of Directors, a Chairperson of the Board, Vice Presidents, Assistant Secretaries, Assistant Treasurers, or other officers. Any number of offices may be held by the same person except that neither the Secretary nor the Treasurer may serve as the President or Chairperson of the Board.

SECTION 2. QUALIFICATION, ELECTION, AND TERM OF OFFICE

Any person may serve as officer of this corporation. Officers shall be elected by the Board of Directors, at any time, and each officer shall hold office for up to one year per term. There shall be no term limits for elected officers of the Board.

SECTION 3. SUBORDINATE OFFICERS

The Board of Directors may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Board of Directors.

SECTION 4. REMOVAL AND RESIGNATION

Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

SECTION 5. VACANCIES

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors.

SECTION 6. DUTIES OF PRESIDENT

The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairperson of the Board of Directors, he or she shall preside at all meetings of the Board of Directors. If applicable, the President shall preside at all meetings of the members. Except as otherwise expressly provided by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

SECTION 7. DUTIES OF VICE PRESIDENT

In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President 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 on, the President. The Vice President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

SECTION 8. DUTIES OF SECRETARY

The Secretary shall:

Certify and keep at the principal office of the corporation the original, or a copy of these bylaws as amended or otherwise altered to date.

Keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

Be custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law or these Bylaws.

Keep at the principal office of the corporation a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.

Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney, on request therefor, the Bylaws, the membership book, and the minutes of the proceedings of the Directors of the corporation. Montclair Business Improvement District assesses shall have similar rights of inspection as provided by action of the Directors.

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

SECTION 9. DUTIES OF TREASURER

Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.

Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

Exhibit at all reasonable times the books of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request therefore. Montclair Business Improvement District businesses shall have similar rights of inspection as provided by action of the Directors.

Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

ARTICLE VII COMMITTEES

SECTION 1. EXECUTIVE COMMITTEE

The Board of Directors may, by a majority vote of Directors, designate two (2) or more of its members (who may also be serving as officers of this corporation) to constitute an Executive/Organization Committee and delegate to such Committee any of the powers and authority of the Board in the management of the business and affairs of the corporation, except with respect to:

- a) The approval of any action which, under law or the provisions of these Bylaws, requires the approval of the members or of a majority of all of the members.
- b) The filling of vacancies on the Board or on any committee which has the authority of the Board.
- c) The amendment or repeal of Bylaws or the adoption of new Bylaws.
- d) The amendment or repeal or any resolution of the Board which by its express terms is not so amendable or repeal-able.
- e) The appointment of committees of the Board or the members thereof.

SECTION 2. OTHER COMMITTEES AND TASK FORCES

The corporation shall have such other committees and task forces as may from time to time be designated by resolution of the Board of Directors. Such other committees and task forces may consist of persons who are not members of the Board. The Board shall elect the Chair (s) of such committees and task forces. These additional committees and task forces *shall act in an advisory capacity only to the Board* and shall be clearly titled as "advisory" committees.

SECTION 3, MEETINGS AND ACTION OF COMMITTEES AND TASK FORCES

The time for meetings of committees may be fixed by the Board of Directors or by the Committee Chair themselves. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees and task forces to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

**ARTICLE VIII
EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

SECTION 1. EXECUTION OF INSTRUMENTS

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, 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 monetarily for any purpose or in any amount.

SECTION 2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Treasurer and countersigned by the President of the corporation, or by two other officers of the corporation.

SECTION 3. DEPOSITS

All funds of the corporation shall be deposited as soon as reasonably possible, to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

SECTIONS. GIFTS

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this corporation.

**ARTICLE IX
CORPORATE RECORDS, REPORTS AND SEAL**

SECTION I. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep at its principal office in the State of California:

- a) Minutes of all meetings of Directors, committees of the Board and, if this corporation has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;

- b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;
- c) A record of its members, if any, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- d) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by Montclair Business Improvement District assesses at all reasonable times during office hours.

SECTION 2. CORPORATE SEAL

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

SECTION 3. DIRECTORS' INSPECTION RIGHTS

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation.

SECTION 4. MEMBERS' INSPECTION RIGHTS

Montclair Business Improvement District assesses, and if this corporation has any members, then each and every member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member:

- a) To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the corporation, which demand shall state the purpose for which the inspection rights are requested.
- b) To obtain from the Secretary of the corporation, upon written demand and payment of a reasonable charge, an alphabetized list of the names, addresses and voting rights of those members entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made available on or before the later often (10) business days after the demand is received or after the date specified therein as of which the list is to be compiled.
- c) To inspect at any reasonable time the books, records, contracts, agreements or minutes of proceedings of the members or of the Board or committees of the Board, upon written demand on the corporation by the member, for a purpose reasonably related to such person's interests as a member.

SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

SECTION 6. ANNUAL REPORT

The Board may cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation's fiscal year to all Directors of the corporation and, if this corporation has members, to any member or delegate who requests it in writing, which report shall contain the following information in appropriate detail:

- a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- b) The principal changes in assets and liabilities, including trust funds, during the fiscal
- c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year;

The annual report may be accompanied by any report thereon of independent accountants, or, if there is no such 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.

If this corporation has members, then, if this corporation receives TWENTY-FIVE THOUSAND DOLLARS (\$25,000), or more, in gross revenues or receipts during the fiscal year, this corporation shall considering sending the above annual report to all members, in such manner, at such time, and with such contents, including an accompanying report from independent accountants or certification of a corporate officer, as specified by the above provisions of this Section relating to the annual report.

**ARTICLE X
FISCAL YEAR**

SECTION 1. FISCAL YEAR OF THE CORPORATION

The fiscal year of the corporation shall begin on the July 1 and end on June 30 in each year.

**ARTICLE XI AMENDMENT
OF BYLAWS**

SECTION L AMENDMENT

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

- a) By approval of the majority action of the sitting Board of Directors of this corporation.

ARTICLE XII AMENDMENT OF ARTICLES

SECTION 1. AMENDMENT OF ARTICLES BEFORE ADMISSION OF MEMBERS

Before any members, if any, have been admitted to the corporation, any amendment of the Articles of Incorporation may be adopted by approval of the Board of Directors.

SECTION 2. CERTAIN AMENDMENTS

Notwithstanding the above sections of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation of the names and addresses of the first Directors of this corporation nor the name and address of its initial agent, except to correct an error in such statement or to delete either statement after the corporation has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

ARTICLE XIII PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

SECTION 1. PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

No member, Director, officer, employee, or other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. All members, if any, of the corporation shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.

ARTICLE XIV MEMBERS

SECTION 1. DETERMINATION OF MEMBERS

If this corporation makes no provision for members, then, pursuant to Section 5310(b) of the Nonprofit Public Benefit Corporation Law of the State of California, any action which would otherwise, under law or the provisions of the Articles of Incorporation or Bylaws of this corporation, require approval by a majority of all members shall only require the approval of a majority vote of the Board of Directors.

WRITTEN CONSENT OF DIRECTORS ADOPTING B YLA WS

We, the undersigned, are all of the persons named as the initial Directors in the Articles of Incorporation of the Montclair Village Association, a California nonprofit corporation, and, pursuant to the authority granted to the Directors by these Bylaws to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the foregoing Bylaws, consisting of 17 pages and one attached exhibit, as the Bylaws of this corporation.

1. _____

2. _____

3. _____

4. _____

Dated: _____ 4.

CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the Bylaws of the corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said corporation on the date set forth below.

Dated: _____