

BYLAWS
LASSEN LAND AND TRAILS TRUST, INC.
A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION

ARTICLE 1. NAME

The name of this corporation is LASSEN LAND AND TRAILS TRUST, INC.

ARTICLE 2. PRINCIPAL OFFICE

The principal office for the transaction of the business of this corporation is located in the County of Lassen, State of California, at an address to be established by resolution of the Board of Directors. The Board of Directors may change the principal office from one location to another.

ARTICLE 3. PURPOSES AND OBJECTIVES

SECTION 3.1 GENERAL

This corporation is organized under the California Nonprofit Public Benefit Corporation Law exclusively for charitable and educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code.

SECTION 3.2 SPECIFIC AND PRIMARY PURPOSES

The specific and primary purposes for which this corporation is formed include the preservation and restoration of land and improvements for historic, educational, recreational, productive, scenic and open space opportunities within Lassen County, California. The corporation's broad goals and objectives as described in the Strategic Plan include, but are not limited to the following:

- a) Acquiring, holding, and managing land and interests in land, together with all improvements, in a manner designed to preserve, protect, and enhance the resource values of such lands in conformance with the requirements of Section 501(c)(3) of the Internal Revenue Code and Sections 2370 1(d) and 214 of the California Revenue and Taxation Code, as now in effect or as hereafter amended;
- b) Providing public access for recreation and education on matters relating to the above values;
- c) Designing projects to enhance the recreational and educational opportunities available to residents or visitors to Lassen County;
- d) Promoting sound public and private land uses with respect to lands possessing these values;
- e) Receiving, holding and disbursing contributions, gifts, grants, real and personal properties, bequests, devices, and other funds for these purposes;
- f) Purchasing or leasing suitable real estate and/or constructing buildings, and any other

- personal property which is deemed necessary for these purposes;
- g) Maintaining and providing guardianship of these lands in a manner which is deemed necessary for these purposes;
- h) Making, performing, and carrying out contracts and agreements for any lawful purpose which lends itself to the goals of the corporation, with limits to the amount as defined from time to time by the corporation's Board of Directors.

ARTICLE 4. NONPARTISAN ACTIVITIES

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign, including the publishing or distribution of statements on behalf of any candidate for public office.

This corporation shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes and objectives described above.

ARTICLE 5. DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable conservation purposes. No part of the net earnings, properties or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, officer, or Board member or any employee of this corporation. On liquidation or dissolution, all assets properties, and obligations shall be distributed and paid over to a certified land organization with a mission similar to that of the Lassen Land and Trails Trust. Such an organization shall be dedicated to the exempt purposes as specified in Section 501(c)(3) of the Internal Revenue Code, or to an appropriate governmental entity described in Section 170(b)(1)(A)(v) of the Internal Revenue Code.

ARTICLE 6. MEMBERSHIP

SECTION 6.1 ELIGIBILITY

Any responsible individual or organization approving the goals and objectives of the corporation shall be eligible for membership. The dues for the members shall be determined by such procedures as may be established by the Board of Directors.

SECTION 6.2 GENERAL

All members shall be voting members for the election of the Board of Directors. Any action, which would otherwise under law require the approval of the Board of Directors, and all rights which would otherwise vest in the members under law shall vest in the Directors of this corporation. The Board of Directors may, by resolution, establish such categories of nonvoting

memberships as it deems advisable and useful in its recreation and fundraising activities.

SECTION 6.3 OTHER MEMBER RIGHTS

Members should support the corporation and participate in the accomplishment of the goals and objectives of the corporation's Strategic Plan. Members may attend meetings of the full Board of Directors as observers. Members may participate at the annual meeting of the corporation under the guidelines of the Bylaws. They may inspect the records of the corporation.

SECTION 6.4 ELECTION OF DIRECTORS

The election of Directors shall be conducted in the following manner:

- a) Nominating Committee: The President shall appoint a committee to select qualified candidates for election to the Board of Directors at least thirty (30) days prior to the date set for the Annual Meeting. The Nominating Committee shall make its report at the Annual Meeting.
- b) Nominations from the floor: Any member present at the Annual Meeting may place additional names in nomination with the consent of the nominee.
- c) Vote required: Candidates receiving the highest number of votes shall be elected as Directors to fill the number of positions available at the Annual Meeting.

SECTION 6.5 ANNUAL MEETING

The annual meeting of the membership shall be held at a time and place designated by the Board in the fourth quarter of the calendar year.

ARTICLE 7. BOARD OF DIRECTORS

SECTION 7.1 GENERAL POWERS

This Corporation shall have powers to the full extent allowed by law. The Board of Directors shall act as the governing entity of the corporation and shall be responsible for planning, organizing and execution of all activities and programs. Subject to the Articles of Incorporation and these Bylaws, the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board. The primary purpose of the Board of Directors is to oversee, advise, and assist the staff in its operation and services provided to the general public. In addition, the Board ensures that the operations of the corporation remain fiscally viable by reviewing and approving the annual budget and by the Board's periodic review of the corporation's fiscal management.

SECTION 7.2 NUMBER OF DIRECTORS

The Board of Directors shall consist of a President, Vice President, and at least three Directors at Large. A Director at Large is a voting member of the Board of Directors who is not an officer. The Secretary and Treasurer may be members of the Board of Directors or non-members appointed by the Board of Directors. The duties and responsibilities of each position shall be found in Article 9. To the extent possible, the Board of Directors should be made up of individuals who represent a cross-section of the community at large. The Board of Directors shall consist of not less than five (5) and not more than fifteen (15) persons. Directors shall serve for a term of office of three (3) years. The Board of Directors may select such additional persons to serve as non-voting Honorary Directors or Advisory Board members as it deems appropriate. The term of office shall commence at the time of the Annual Meeting. There shall be a limit of two successive three year terms for Board members, commencing with Board elections in November 2009. The terms of current Board members would not be affected and would be limited to four successive two-year terms. A member having served his or her successive terms shall rotate off the Board for one year before being eligible to serve again.

SECTION 7.3 BOARD VACANCIES

A vacancy shall be deemed to exist in the event that the actual number of Directors is less than the authorized number for any reason. Resignation shall be effective upon receipt of written notice by the Board, the President, the Vice-president, or the Secretary. The Board may remove any Director with or without cause, by a two-thirds majority vote of the entire Board. Absence of a Director from four (4) or more consecutive regular Board meetings shall constitute cause for removal. Vacancies shall be filled by appointment from the Board for the unexpired portion of the former Director's term. An incoming member who has been appointed by the Board to fill a vacant position may serve until the date of the next Annual Meeting, and, if then re-elected, will be eligible to serve two additional full three-year terms.

SECTION 7.4 SPECIFIC POWERS

Without prejudice to the general powers, and subject to the same limitations, the Board of Directors shall have the power to:

- a) Appoint and remove, by two-thirds (2/3) majority vote, all officers, agents, and employees of the corporation; prescribe powers and duties for such officers, agents, and employees, and fix their compensation.
- b) Change the principal office and business office of the corporation within the State of California.
- c) Borrow money and incur indebtedness of behalf of the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debts and securities.

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- d) Prepare, submit, and receive grants and bequests.
- e) Discuss, prepare, and approve personnel and other policies and serve as the personnel committee for employees of the corporation.
- f) Propose Bylaws modifications and additions.
- g) Receive and acknowledge reports for the General Membership and/or staff or officers and prepare the corporation's annual report.

SECTION 7.5 RESTRICTION ON DIRECTORS

- a) Directors shall not receive any compensation for their services. However, they may be reimbursed for expenses actually and reasonably incurred in connection with the performance of their duties as Directors if the same is authorized by a vote of the Board of Directors.
- b) No Director shall vote upon or otherwise use his or her personal influence to affect the outcome of Board actions or other matters to which such Director has any duality or possible conflict of interest. Directors shall handle matters relating to duality or possible conflicts of interest in a manner that will satisfy the highest legal and ethical standards.

SECTION 7.6 PLACE OF MEETING

Meetings of the Board of Directors shall be held at any place within Lassen County designated by the Board of Directors. In the absence of any such designation, meetings shall be held at the principal executive office of the corporation.

SECTION 7.7 REGULAR MEETINGS

The Board of Directors may establish a schedule of regular monthly meetings of the Board of Directors to take care of the corporation's business, including but not limited to:

- a) Reviewing the status of all of the corporation's projects and programs;
- b) Reviewing the previous Quarters and Year to Date financial status;
- c) Reviewing and approving plans and programs for the following Quarter.

Such meetings shall be documented by the Board Secretary, or a designate, and placed in the business files of the corporation for review by any member at their request.

SECTION 7.8 SPECIAL MEETINGS

Special meetings of the Board of Directors may be called by the President, or by any two (2) members of the Board. Notice of the time and place thereof shall be given in person or by

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telephone at least twenty-four (24) hours before the time set for such meeting, or by written notice at least forty-eight (48) hours before such meeting. The purpose of said meeting shall be set forth in said notice. Any business which may be lawfully transacted by the Board of Directors may be transacted at any special meeting.

SECTION 7.9 WAIVER OF NOTICE

The transactions of any meeting of the Board of Directors, however called and noticed, shall be valid as though taken at a meeting duly held after regular call and notice, if a quorum is present.

SECTION 7.10 MEETING BY TELEPHONE

Special meetings may be held by telephone or similar communication equipment, and all Directors so contacted shall be deemed to be present at such meeting.

SECTION 7.11 QUORUM

A majority of the Directors then in office shall constitute a quorum for the transaction of business. Every act or decision by a majority of the Directors present shall be regarded as the act of the Board of Directors, subject to the provisions of the California Nonprofit Public Benefit Corporation Law, especially those provisions relating to: (1) approval of contracts or transactions in which a Director has a direct or indirect conflict of interest, (2) appointment of committees, and (3) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

SECTION 7.12 ADJOURNMENT

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

SECTION 7.13 STANDARD OF CARE

- a) A director shall perform the duties of a Director, including duties as a member of any committee of the Board on which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the corporation, and with such care, including reasonable inquiry, as an ordinary prudent person in a like situation would use under similar circumstances.

In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports, or statements including financial statements and other financial data, in each case prepared or presented by:

- 1) One or more officers or employees of the corporation whom the Director believes to be reliable and competent in the matters described;
- 2) Counsel, independent accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- 3) A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence, so long as in any such case, the Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

SECTION 7.14 INDEMNIFICATION

- a) A person who performs the duties of a Director in accordance with Section 7.13 shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a Director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat the public and charitable purposes to which the corporation, and assets held by it, are dedicated.
- b) The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.
- c) The corporation shall, to the fullest extent now or hereafter permitted by law, indemnify any current or former Director, officer or employee or any person who may have served at its express request against liability including, but not limited to judgments, fines, amounts paid in settlement, attorneys' fees and related expenses incurred in the performance of such duties or service, or incurred while acting in such capacity or arising out of his or her status as such, provided that person acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe that such conduct was unlawful or fraudulent.

The corporation shall have the right to select attorneys and to approve any settlements or legal expenses incurred in connection with any suit, action or proceeding to which this indemnification applies.

The corporation may pay expenses incurred in defending any action, suit or proceeding referred to in this Section in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case as permitted by law.

- d) 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 to self-dealing (Section 523 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of Section 5248 of the California Nonprofit Public Benefit Corporation Law.

SECTION 7.15 INVESTMENTS

Except with respect to assets held for use or used directly in carrying out this corporation's charitable activities, in investing, reinvesting, purchasing, acquiring, exchanging, selling and managing this corporation's investments, the Board shall avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income as well as the probable safety of this corporation's capital. The provisions of Section 7.13 above shall apply to this Section.

SECTION 7.16 PROHIBITED TRANSACTIONS

- a) Loans. This corporation shall not make any loan of money or property to or guarantee the obligation of any Director or officer; provided however that this corporation may advance money to a Director or officer of this corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such officer or Director so long as such individual would be entitled to be reimbursed for such expenses without that advance.
- b) Self-dealing Transaction. The Board of Directors shall not approve a self-dealing transaction. A self-dealing transaction is one to which the corporation is a party and in which one or more of the Directors has a material financial interest.

ARTICLE 8 COMMITTEES OF THE BOARD

The Board of Directors may, by resolution adopted by a majority of the Directors then in office, designate one or more committees drawn from the general membership, and consisting of one or more Board member, to sit at the pleasure of the Board. All committees shall serve in an advisory capacity to the Board of Directors and shall not be empowered to take final action on matters within their jurisdiction. Committees, regardless of Board resolution, may not:

- a) Take any final action on matters which, under the California Nonprofit Public Benefit Corporation Law, also requires Board of Directors approval;
- b) Fill vacancies on the Board of Directors or on any committee;
- c) Amend or repeal Bylaws or adopt new Bylaws;
- d) Amend or repeal any resolution of the Board of Directors, which by its expressed terms is not amendable or repealable;
- e) Appoint any other committees of the Board of Directors or the members of these committees;

- f) Approve any transaction to which the corporation is a party.

ARTICLE 9 OFFICERS

SECTION 9.1 OFFICERS

The officers of this corporation shall be President, Vice-President, Secretary, and Treasurer. The corporation may also have at the discretion of the Directors, such other officers as may be appointed by the Directors. Any number of offices may be held by the same person, except that neither the Secretary nor Treasurer may serve concurrently as the President or Vice-President of the Board.

SECTION 9.2 EXECUTIVE COMMITTEE

The corporation shall have an Executive Committee which shall consist of the officers and one Director at Large. Recommendations from the Executive Committee will be reported no later than the next scheduled meeting of the Board of Directors.

SECTION 9.3 EXECUTIVE COMMITTEE MEETINGS

Executive Committee meetings may be called by the President as needed. Notice of the time and place thereof shall be given in person or by telephone at least twenty-four (24) hours before the time set for such meeting, or by written notice at least forty-eight (48) hours before such meeting. The purpose of said meeting shall be set forth in said notice.

SECTION 9.4 ELECTION

The officers of this corporation shall be chosen by the Directors at the first scheduled Board meeting immediately after the Annual Meeting. Each officer shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

SECTION 9.5 REMOVAL

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Directors at any meeting of the Board by two-thirds (2/3) of those present.

SECTION 9.6 RESIGNATION

Any officer may resign at any time by giving written notice to this corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice, and unless otherwise specified in that notice, the acceptance of that resignation is without prejudice to the rights, if any, of this corporation under any contract to which the officer is a party.

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SECTION 9.7 VACANCIES IN OFFICE

In the case of death, resignation, or removal from office of any officer of the corporation, the president shall appoint his or her successor, subject to confirmation by the Board of Directors at its next regular meeting, who shall hold office by like tenure for the unexpired term.

SECTION 9.8 PRESIDENT

The President shall, if present, preside at all meetings of the Board of Directors and perform the duties, and exercise other such powers, as may be prescribed by these Bylaws or assigned by the Board of Directors. The President or the Vice-President, in the absence of the President, shall have the power to sign contracts as approved by the Board of Directors.

SECTION 9.9 VICE-PRESIDENT

The Vice-President, in the absence or disability of the President, shall perform the duties and exercise the powers of the President; and shall have such other powers and perform such other duties as may be prescribed by these Bylaws or assigned by the Board of Directors.

SECTION 9.10 SECRETARY

The Secretary, who may not necessarily be a member of the Board of Directors, shall attend all sessions of the Board and ensure the recording of all votes and minutes for all proceedings in a book or books to be kept for that purpose. He or she shall give, or cause to be given, notice of all special meetings of the Directors, and shall have such other powers and perform such other duties as may be prescribed by these Bylaws or by the Board of Directors.

SECTION 9.11 TREASURER

The Treasurer, who may not necessarily be a member of the Board of Directors, shall have such powers as are usually vested in the Treasurer of a corporation, and shall ensure the depositing of such funds in the manner required by the Board, shall keep and maintain adequate and correct accounts of the corporation's properties and business transactions, shall render monthly reports and accountings, and shall discharge such other duties as pertain to the office or as prescribed by these Bylaws or by the Board of Directors.

SECTION 9.12 DIRECTORS AT LARGE

The Directors at Large shall be generally responsible for the public relations of the corporation with the general public. Such public relations shall include, but not be limited to, the issuance of press releases regarding activities of the Trust, making public presentations on items of interest relating to the Trust, and representing the Trust to educational, governmental, and non-governmental organizations. One Director at Large shall serve on the Executive Committee.

SECTION 9.13 ABSENCES

In case of the absence of any officer of the corporation, or for any other reason that the Board may deem sufficient, the President may delegate for the time being the powers or duties or any of them, of such officer to any other officer, or to any Director, provided a quorum of the Board or Executive Committee votes in favor of such delegation of power.

ARTICLE 10 EXECUTIVE DIRECTOR

SECTION 10.1 APPOINTMENT AND DUTIES

The Board of Directors may appoint an Executive Director of the corporation, and his or her powers, duties, and compensation shall be fixed by the Board. Subject to the direction and control of the Board, the Executive Director shall carry into effect the decisions and policies of the Board, and shall have general charge and supervision of the activities of the corporation. Unless the Board or Executive Committee is in executive session, the Executive Director shall be an ex officio member of the Board and all committees of the corporation.

The Executive Director will furnish a report at each meeting of the Board of Directors describing the corporation's progress in achieving the Strategic Plan and the Annual Operating Plan.

SECTION 10.2 ANNUAL OPERATING PLAN FOR THE CORPORATION

The Executive Director, with the assistance of the Board of Directors and the corporation's Treasurer, shall prepare an Annual Operating Plan that implements the goals and objectives of the corporation's Strategic Plan. The corporation's Annual Operating Plan may be amended as needed throughout the year. The Annual Operating Plan may include, but is not limited to the following business matters:

- a) Annual budget and work program priorities from the Strategic Plan
- b) Project committee assignments
- c) Check signing authority
- d) Personnel policies
- e) Board and employee training
- f) Preparation of the agendas for the Board meetings and the annual membership meeting
- g) Updates of the corporation's Strategic Plan

ARTICLE 11 RECORDS AND REPORTS

SECTION 11.1 PRESIDENT'S REPORT TO MEMBERSHIP

The President and the Executive Director shall furnish a comprehensive report at the annual meeting to all members of this Corporation containing the following information:

- a) The assets and liabilities, including the trust funds, of this corporation as of the end of the

- fiscal year;
- b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
 - c) The revenue or receipts of this corporation, both unrestricted and restricted for particular purposes, for the fiscal year;
 - d) The expenses or disbursements of this corporation, for both the general and restricted purposes during the fiscal year;
 - e) Any transaction during the previous fiscal year involving FIVE THOUSAND DOLLARS (\$5,000.00) or more of the corporation's funds.
 - f) Any information required by any provision of the California Nonprofit Public Benefit Corporation Law.

SECTION 11.2 RIGHTS OF INSPECTION

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having and exercising any of the authority of the Board.

Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. This inspection by a Director may be made in person or by an agent or attorney, and the right to inspection includes the right to copy and make extracts of documents.

ARTICLE 12 FISCAL POLICIES

SECTION 12.1 FISCAL YEAR

The Fiscal year of this corporation shall begin on the first day of July and end on the last day of June in each year.

SECTION 12.2 CONTRACTS

All contracts entered into on behalf of this corporation must be authorized by the Board of Directors.

SECTION 12.3 EXECUTION OF CHECKS

Except as otherwise provided by law, every check, draft, promissory note, money order, or evidence of indebtedness of the corporation shall be signed by such individuals as are authorized by the Board of Directors and described in the Annual Operating Plan.

SECTION 12.4 FISCAL REVIEW

There shall be an annual report of the corporation by an independent certified public accountant. The independent reporter shall be appointed annually by the Board of Directors. The Board of Directors may direct the audit of offices, programs and activities of the corporation at such times

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and in such a manner as it may specify.

ARTICLE 13 AMENDMENTS

SECTION 13.1 Subject only to the requirements of the California Nonprofit Public Benefit Corporation Law, these Bylaws and Articles of Incorporation may be adopted, amended, or repealed by action of the Board of Directors.

SECTION 13.2 The Secretary of the corporation shall see that a true and correct copy of all amendments of the Bylaws, duly certified by the Secretary, is attached to the official Bylaws of the corporation, and is maintained with the official records of the corporation at the principal office of the corporation.

The above Bylaws were typed on July 20, 2009 and reflect amendments adopted as of XXX XX, 2009. The Bylaws of the corporation were originally adopted on November 16, 1987 and amended on November 30, 2004.