

BYLAWS
OF
THE ROTARY CLUB OF SAN JOSE NORTH FOUNDATION
A California Nonprofit Public Benefit Corporation

ARTICLE I. Name.

The name of this corporation shall be The Rotary Club of San Jose North Foundation.

ARTICLE II. Office.

Section 1. PRINCIPAL OFFICE. The principal office for the transaction of the business of the corporation is located at Santa Clara County, California. The Directors may change the principal office from one location to another. Any change of this location shall be noted by the Secretary on these Bylaws opposite this Section, or this Section may be amended to state the new location.

Section 2. OTHER OFFICES. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE III. Objectives and Purposes.

Section 1. GENERAL OBJECTIVES. The objectives of this corporation shall be to receive gifts of money and property, to maintain and manage same, and to distribute money and property solely to or for the benefit of organizations exempt from federal taxation under section 501(c)(3) of the Internal Revenue Code and to do all things related to, incidental to, or in furtherance thereof.

Section 2. LIMITATION ON ACTIVITIES. The foregoing notwithstanding, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal tax under section 501(c)(3) of the Internal Revenue Code or (b) by a corporation contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code.

ARTICLE IV. Nonpartisan Activities.

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the public purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the corporation shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office or for or against any cause or measure being submitted to the people for a vote.

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

ARTICLE V. Dedication of Assets.

The properties and assets of this nonprofit public benefit corporation are irrevocably dedicated to charitable 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 or Director of this corporation. On liquidation or dissolution, all properties and assets and obligations shall be distributed and paid over to an organization dedicated to charitable purposes, provided that the organization continues to be dedicated to the exempt purposes as specified in Internal Revenue Code section 501(c)(3).

ARTICLE VI. Membership.

Section 1. MEMBERS. The corporation shall have no Members. Any action which would otherwise require approval by a majority of all Members or approval by the Members shall require only approval of the Board. All rights which would otherwise vest in the Members shall vest in the Directors.

Section 2. ASSOCIATES. Nothing in this Article shall be construed as limiting the right of the corporation to refer to persons associated with it as "Members" even though such persons are not Members, and no such reference shall constitute anyone a Member within the meaning of section 5056 of the California Nonprofit Corporation Law. The corporation may confer by amendment of its Articles or of these Bylaws some or all of the rights of a Member, as set forth in the California Nonprofit Corporation Law, upon any person or persons who do not have the right to vote for the election of Directors or on a disposition of substantially all of the assets of the corporation or on a merger or on a dissolution or on changes to the corporation's Articles or Bylaws, but no such person shall be a Member within the meaning of said section 5056.

ARTICLE VII. Directors.

Section 1. POWERS. Subject to limitations of the Articles and these Bylaws, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of the corporation to any person or persons, a management company, or committees however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the

ultimate direction of the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

(a) To select and remove all the other Officers, agents, and employees of the corporation, prescribe powers and duties for them as may not be inconsistent with law, the Articles, or these Bylaws, fix their compensation, and require from them security for faithful service.

(b) To conduct, manage, and control the affairs and activities of the corporation and to make such rules and regulations therefor not inconsistent with law, the Articles, or these Bylaws, as they may deem best.

(c) To adopt, make, and use a corporate seal and to alter the form of such seal from time to time as they may deem best.

(d) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.

(e) To carry on a business at a profit and apply any profit that results from the business activity to any activity in which it may lawfully engage.

Section 2. NUMBER OF DIRECTORS. The authorized number of Directors shall be ten (10) until changed by amendment of the Articles or by a Bylaw.

Section 3. SELECTION AND TERM OF OFFICE. Directors of this corporation shall be the same persons as the directors of The Rotary Club of San Jose North and shall be selected in the same manner.

Section 4. VACANCIES. Subject to the provisions of section 5226 of the California Nonprofit Public Benefit Law, any Director may resign effective upon giving written notice to the President, the Secretary, or the Board, 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 selected before such time, to take office when the resignation becomes effective.

Vacancies in the Board shall be filled in the same manner as vacancies are filled on the Board of The Rotary Club of San Jose North.

Section 5. PLACE OF MEETING. Meetings of the Board shall be held at any place within or without the State of California which

has been designated from time to time by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the corporation.

Section 6. ANNUAL MEETINGS. The Board shall hold an annual meeting for the purpose of organization, selection of Officers, and the transaction of other business. Annual meetings of the Board shall be held each year immediately following the annual meeting of The Rotary Club of San Jose North.

Section 7. REGULAR MEETINGS. Regular meetings of the Board shall be held without call or notice on such dates and at such times as may be fixed by the Board.

Section 8. SPECIAL MEETINGS. Special meetings of the Board for any purpose or purposes may be called at any time by the President, the Vice President, the Secretary or any two Directors.

Special meetings of the Board shall be held upon four days' notice by first-class mail or 48 hours' notice given personally or by telephone, telegraph, telex, or other similar means of communication. Any such notice shall be addressed or delivered to each Director at such Director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the Director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the Directors are regularly held.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

Section 9. QUORUM. One-third of the authorized number of Directors constitutes a quorum of the Board for the transaction of business, except to adjourn as provided in Section 12 of this Article. 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 regarded as the act of the Board, unless a greater number be required by law or by the Articles, except as provided in the next sentence. 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 such meeting.

Section 10. PARTICIPATION IN MEETINGS BY CONFERENCE TELEPHONE. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

Section 11. WAIVER OF NOTICE. Notice of a 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 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.

Section 12. ADJOURNMENT. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 48 hours, notice of any adjournment 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.

Section 13. ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

Section 14. RIGHTS OF INSPECTION. 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 of which such person is a Director.

Section 15. COMMITTEES. The Board may appoint one or more committees, each consisting of two or more Directors, and delegate to such committees any of the authority of the Board except with respect to:

(a) The approval of any action for which the California Nonprofit Public Benefit Corporation Law also requires approval of the members or approval of a majority of all members.

(b) The filling of vacancies on the Board or in any committee;

(c) The fixing of compensation of the Directors for serving on the Board or on any committee;

(d) The amendment or repeal of Bylaws or the adoption of new Bylaws;

(e) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;

(f) The appointment of other committees of the Board or the members thereof;

(g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; or

(h) The approval of any self-dealing transaction, as such transactions are defined in section 5233(a) of the California Nonprofit Public Benefit Corporation Law.

Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of the authorized number of Directors then in office, provided a quorum is present, and any such committee may be designated an Executive Committee or by such other name as the Board shall specify. The Board may appoint, in the same manner, alternate members of any committee who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of this Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

Section 16. FEES AND COMPENSATION. Directors and members of committees shall receive no compensation; provided, however, that such persons shall be entitled to reasonable out-of-pocket expenses approved by the Board. *reimbursement of*

Section 17. RESTRICTION REGARDING INTERESTED DIRECTORS. Notwithstanding any other provisions of these Bylaws, not more than 49 percent 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 to it within the previous 12 months, whether as a full- or part-time 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.

ARTICLE VIII. Officers.

Section 1. OFFICERS. The Officers of the corporation shall be a President, a Secretary, and a Treasurer. The corporation may also have, at the discretion of the Board, a Chairman of the Board, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other Officers as may be elected or appointed in accordance with the provisions of Section 3 of this Article. Any number of offices may be held by the same person except as provided in the Articles or in these Bylaws and except that neither the Secretary nor the Treasurer may serve concurrently as the President or Chairman of the Board.

Section 2. ELECTION. The Officers of the corporation shall be those same persons who are officers of The Rotary Club of San Jose North and shall be selected in the same manner.

Section 3. SUBORDINATE OFFICERS. The Board may elect, and may empower the President to appoint, such other Officers as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

Section 4. REMOVAL AND RESIGNATION. Any Officer may be removed, either with or without cause, by the Board at any time or, except in the case of an Officer chosen by the Board, by any Officer upon whom such power of removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of the Officer under any contract of employment of the Officer.

Any Officer may resign at any time by giving written notice to the corporation, but without prejudice to the rights, if any, of the corporation under any contract to which the Officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed for filling vacancies in any office in The Rotary Club of San Jose North.

Section 6. PRESIDENT. The President is the General Manager and Chief Executive Officer of the corporation and has, subject to the control of the Board, general supervision, direction, and control of the business and Officers of the corporation. The

President shall preside at all meetings of the Board. The President has the general powers and duties of management usually vested in the office of president and general manager of a corporation and such other powers and duties as may be prescribed by the Board.

Section 7. VICE PRESIDENT. In the absence or disability of the President, 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 upon, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed by the Board.

Section 8. SECRETARY. The Secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a Book of Minutes of all meetings of the Board and its committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Board and committee meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of the corporation's Articles and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

Section 9. TREASURER. The Treasurer is the Chief Financial Officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation. The books of account shall at all times be open to inspection by any Director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board. The Treasurer shall disburse the funds of the corporation as may be ordered by the Board, shall render to the President and the Directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board.

ARTICLE IX. Other Provisions.

Section 1. ENDORSEMENT OF DOCUMENTS; CONTRACTS. Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing

and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by the President, the Vice President and the Secretary, any Assistant Secretary, the Treasurer, or any Assistant Treasurer of the corporation, shall be valid and binding on the corporation in the absence of actual knowledge on the part of the other person that the signing Officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board and, unless so authorized by the Board, 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 for any purpose or amount.

Section 2. REPRESENTATION OF SHARES OF OTHER CORPORATIONS. The President or any other Officer or Officers authorized by the Board or the President is authorized to vote, represent, and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted may be exercised either by any such Officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by said Officer.

Section 3. CONSTRUCTION AND DEFINITIONS. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

Section 4. AMENDMENTS. These Bylaws may be amended or repealed by the approval of the Board.

ARTICLE X. Indemnification.

Section 1. DEFINITIONS. For the purposes of this Article, "agent" means any person who is or was a Director, Officer, employee, or other agent of the corporation, or is or was serving at the request of the corporation as a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, Officer, employee, or agent of a foreign or domestic corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under Sections 4 or 5(b) of this Article.

Section 2. INDEMNIFICATION IN ACTIONS BY THIRD PARTIES. The corporation shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the corporation to procure a judgment in its favor, an action brought under section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust), by reason of the fact that such person is or was an agent of the corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interest of the corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interest of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. INDEMNIFICATION IN ACTIONS BY OR IN THE RIGHT OF THE CORPORATION. The corporation shall have the right to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the corporation, or brought under section 5233 of the California Nonprofit Public Benefit Corporation Law, or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that such person is or was an agent of the corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interest of the corporation, and with such care, including reasonable injury, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section:

(a) In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the corporation in the performance of such person's duty to the corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) In respect of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) In respect of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

Section 4. INDEMNIFICATION AGAINST EXPENSES. To the extent that an agent of the corporation has been successful on the merits in defense of any proceeding referred to in Sections 2 or 3 of this Article, or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5. REQUIREMENT DETERMINATIONS. Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by the corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Sections 2 or 3 of this Article, by:

(a) A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or

(b) The court in which such proceeding is or was pending upon application made by the corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the corporation.

Section 6. ADVANCE OF EXPENSES. Expenses incurred in defending any proceeding may be advanced by the corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 7. OTHER INDEMNIFICATION. No provision made by the corporation to indemnify its or its subsidiary's Directors or Officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of Directors, an agreement, or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article shall affect any right to indemnification to which persons other than such Directors and Officers may be entitled by contract or otherwise.

Section 8. FORMS OF INDEMNIFICATION NOT PERMITTED. No indemnification or advance shall be made under this Article, except as provided in Sections 4 or 5(b), in any circumstances where it appears:

(a) That it would be inconsistent with a provision of the Articles, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

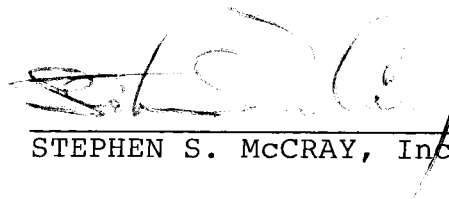
Section 9. INSURANCE. The corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this Article; provided, however, that a corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of section 5322 of the California Nonprofit Public Benefit Corporation Law.

Section 10. NONAPPLICABILITY TO FIDUCIARIES OF EMPLOYEE BENEFIT PLANS. This Article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the corporation as defined in Section 1 of this Article. The corporation shall have power to indemnify such trustee, investment manager, or other fiduciary to the extent permitted by subdivision (f) of section 207 of the California General Corporation Law.

CERTIFICATE OF INCORPORATOR
OF
THE ROTARY CLUB OF SAN JOSE NORTH FOUNDATION
A California Nonprofit Public Benefit Corporation

I hereby certify that I am the Incorporator of said corporation and that the foregoing Bylaws constitute the Bylaws of said corporation as duly adopted at a meeting of the Incorporator held on April 14, 1988.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 14th day of April, 1988.



STEPHEN S. McCRAY, Incorporator