

**BYLAWS OF
THE COMMUNITY FOUNDATION FOR MONTEREY COUNTY
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION**

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2022 AMENDED AND RESTATED
BYLAWS OF
THE COMMUNITY FOUNDATION FOR MONTEREY COUNTY
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

This 2022 Amendment & Restatement of the Bylaws of the Community Foundation for Monterey County, a California Nonprofit Public Benefit Corporation (the "Corporation"), is made and effective _____, 2022, with reference to the following facts:

A. This Corporation was formed as a California nonprofit public benefit corporation and the Articles of Incorporation of the Corporation were filed with the California Secretary of State on April 11, 1945, and were amended on November 28, 1984. This Corporation is controlled by its Board of Directors, which, from time to time has amended and/or amended and restated the Corporation's bylaws. The Board of Directors most recently amended and restated the Corporation's bylaws on December 18, 2012 (the "2012 Bylaws").

B. This Corporation is governed by the California Nonprofit Corporation Law, codified in California Corporations Code Section 5000, et seq., as the same may be amended from time to time and any corresponding provisions of succeeding law.

C. The 2012 Bylaws provide for the governance of the Corporation and specifies the Board of Directors' relative rights and obligations.

D. This Corporation's Board of Directors ("Board"), pursuant to Article XII, Section 4 of the 2012 Bylaws, and the California Nonprofit Corporation Law, desire to amend and restate the 2012 Bylaws, in its entirety under California Nonprofit Corporation Law.

NOW, THEREFORE, the Board amends and restates, in its entirety, the bylaws for the Corporation upon the following terms and conditions.

ARTICLE I. RECITALS

Section 1. Name of Corporation. The name of this Corporation is **Community Foundation for Monterey County**.

Section 2. Corporation is Nonprofit. This Corporation has been formed pursuant to the California Nonprofit Corporation Law as a public benefit corporation.

Section 3. Purpose and Objectives. The specific and primary purpose of this Corporation shall be to establish, operate and maintain a Community Foundation which will assist donors in building an enduring source of charitable funds to meet the changing needs and interests of the community for the benefit of residents of Monterey County, California. In the context of these purposes, the Corporation's vision shall inspire philanthropy and strengthen communities by partnering with individuals, families, nonprofits and businesses to create charitable funds, make grants and engage on issues towards a vision of healthy, safe, vibrant communities.

ARTICLE II. PRINCIPAL OFFICE

Section 1. Location of Principal Office. The principal offices of the Corporation are in Monterey County, California. The Board may change the principal office from one location to another within Monterey County and such a change shall not be deemed an amendment of these Bylaws.

ARTICLE III. MEMBERSHIP

Section 1. Members. 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 Corporation Law, 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 Board.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation, the power to conduct the business and affairs of the Corporation shall be vested in and exercised by the Corporation's Board. Subject to the limitations expressed in Article VI, Section 1, the Board may delegate the management of the activities of the Corporation to any person or persons, or committee, provided that, notwithstanding any such delegation, the activities and affairs of the Corporation shall continue to be managed and all corporate powers shall continue to be exercised under the ultimate direction of the Board. The specific powers of the Board and the limitations thereon are set forth in Article V hereof.

Section 2. Number of Directors. The Board of this Corporation shall consist of no less than fifteen (15) and no more than twenty-one (21) persons (each a "Director" and collectively "Directors"), unless changed by amendment to these bylaws, each who is either a resident of Monterey County, California, or has significant and important contacts and relationship with the people of Monterey County, California.

Section 3. Election and Term of Office. The Governance Committee shall be the nominations committee for the Corporation and will present nominations to fill vacancies on the Board, assuring that such nominees represent a broad cross section of the views and interests of the residents of Monterey County. Nominees shall share the Corporation's vision of Healthy, Safe, Vibrant Communities. The Governance Committee, as it deems necessary, will consult with individuals and organizations in Monterey County in order to ensure diverse perspectives and assistance in identifying and selecting Director nominees.

All Director nominees shall be elected by the Board. Terms of each Director begin January 1 and end December 31 three (3) years later. Directors elected before July 1 in any given year are considered to have completed the first year of their term on December 31 of that same year. Directors elected on July 1 or after do not start the first year of their term until January 1 of the following year. No person may serve as a Director for more than two (2) complete consecutive terms, i.e. six (6) years. (An exception to the six-year limit of service can be made if a board

Chair's second year of service extends into a seventh year. Should this occur, the extension of the term of service to a seventh year must be approved by the Board.)

The Board shall be divided into six classes with the number of directors in each class being as nearly equal as possible; the term of office of those of the first class shall expire on December 31; the second class one year thereafter; and the third class two years thereafter. At each annual election, Directors shall be chosen for a full term to succeed those whose terms expire. Any increase or decrease in the number of directors shall be so apportioned among the classes as to make all classes as nearly equal in number as possible.

Section 4. Removal of Directors and Filling Vacancies on the Board of Directors.

(a) Vacancies, Generally. A vacancy or vacancies in the Board shall be deemed to exist on the occurrence of any of the following: (i) the death, resignation or removal of a Director; or (ii) an increase of the authorized number of directors. Members of the Board who no longer qualify because of change of residency from Monterey County and/or change in the significant and important contacts and relationship with the people of Monterey County, California shall automatically cease to be members of the Board.

(b) Resignation of Directors. Except as provided in this subparagraph, any Director may resign, which resignation shall be effective on giving written notice to the Chair, the Secretary, the President/CEO or the Board, unless the notice specifies a later time for the resignation to become effective. If the resignation of a Director is effective at a future time, the Board may elect a successor to take office when the resignation becomes effective. Failure without excuse to attend three consecutive regular meetings of the Board shall operate as a tender of resignation, unless excused by the Board. The Board may grant to any Director a leave of absence for a period of not to exceed six (6) months, including any three (3) excused absences.

(c) Filling of Vacancies. Vacancies on the Board may be filled by the vote of a majority of a quorum of the Board, or if the number of directors then in office is less than a quorum, the vacancy may be filled by (i) the unanimous written consent of the remaining Directors; (ii) the affirmative vote of a majority of the remaining Directors at a meeting duly held according to notice or waivers of notice complying with the California Corporations Code; or (iii) by the sole remaining Director.

(d) Authority of the Board to Remove Directors For Cause. The Board shall have the power and authority to remove a Director and declare his or her office vacant if he or she has (i) been declared of unsound mind by a final order of court; (ii) been convicted of a felony; or (iii) been found by a final order or judgment of any court to have breached any duty under Sections 5230 through 5237 of the California Nonprofit Corporation Law (relating to the standards of conduct of directors).

(e) Removal of Directors Without Cause. Except as otherwise provided in subparagraph (d) above, a Director may only be removed from office prior to the expiration of his or her term by the affirmative vote of a majority of the Directors then in office.

(f) Reduction in Number of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before the Director's term of office expires.

ARTICLE V. DUTIES AND POWERS OF THE BOARD

Section 1. General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Corporation Law and any other applicable laws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

Section 2. Specific Powers. Without prejudice to the general powers set forth in Section 1 above of these Bylaws, but subject to the same limitations, the directors shall have the power to:

(a) Take general charge of the affairs, property, and assets of the Corporation and elect officers and employ or arrange for the services of such other persons, agents and assistants as in its opinion are necessary or desirable for the proper administration of the Corporation, and to pay reasonable compensation for their services and expenses. The Board may, as it from time to time determines by resolution, delegate in whole or in part the matter of controlling, managing, investing, and disposing of the property of the Corporation for the purpose of earning an income from that property to one or more trust companies, banks, or investment counsel duly authorized to conduct a trust, banking, or investment business in this state.

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

Section 3. Limitations on Powers.

(a) **Compensation.** Members of the Board shall serve without compensation except for payment of reasonable expenses incurred for the Corporation and approved by the Board. Directors who are holders of any other office or position shall act in their own right as Directors and not as representatives or delegates of their own or any other organization, interest or group.

(b) **Self-Dealing Transactions.** Notwithstanding the powers conferred on the Board pursuant to Article V, Section 1, above, and Article IX, Section 1 hereof, this Corporation shall not engage in any transaction which meets the definition of a "self-dealing transaction" as defined in Section 5233 of the California Nonprofit Corporation Law unless the transaction has been approved by one of the means specified in subparagraph (d) of said Section 5233. Further, this Corporation shall not engage in any transaction which would violate the regulations of the Internal Revenue Service governing Community Foundations.

(c) **Transactions Between Corporations Having Common Directorships.** Unless it is established that the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified, this Corporation shall not enter into a contract or

transaction with any other corporation, association or entity in which one or more of the Corporation's Directors are directors unless the material facts as to the transaction and the Director's common directorship are fully known or disclosed to the Board. The Board must approve, authorize or ratify any such contract or transaction in good faith and by a vote that is sufficient without counting the vote of the common director(s).

(d) Loans to Directors or Officers. This Corporation shall not make any loan of money or property to, or guarantee the obligation of, any director or officer, unless the transaction is first approved by the California Attorney General. This provision shall not apply to any reasonable advance on account of expenses anticipated to be incurred in the performance of a director's or officer's duties on behalf of the Corporation.

(e) Standards for Investment. Except as provided in Sections 5240(c) and 5241 of the California Nonprofit Corporation Law, in the investment, reinvestment, purchase, acquisition, exchange, sale and management of assets of the Corporation, the Board shall comply with the Uniform Prudent Management of Institutional Funds Act as adopted and from to time amended in California and specifically comply with additional standards, if any, imposed by regulations affecting Community Foundations, by the Articles of Incorporation, these Bylaws or the express terms of any instrument or agreement pursuant to which the invested assets were contributed to the Corporation.

ARTICLE VI. COMMITTEES

Section 1. Committees of Directors. The Board may, by a majority of the Directors then in office, provided that a quorum is present, designate one or more committees (individually "Committee" and collectively "Committees"), each consisting of two or more Directors, to serve at the pleasure of the Board. Membership of Directors in Committees is determined by the Chair of the Board. Board approval will be required to invite any non-Director member to serve on any Committee to which the Board delegates authority to make and execute decisions without prior Board of Director approval. Persons who are not directors may serve on committees not having the previously referenced delegated authority at the discretion of the Committee chair.

Committees shall have all the authority of the Board with respect to matters within their area of assigned responsibility, except that no Committee, regardless of Board resolution, may:

- (a) Take any final action on any matter which, under the California Nonprofit Corporation Law, also requires approval of the directors.
- (b) Fill vacancies on the Board or on any Committee which has been delegated any authority of the Board.
- (c) Amend or repeal these Bylaws or adopt new Bylaws.
- (d) Amend or repeal any resolution of the Board which by its express terms is not amendable or able to be repealed.
- (e) Appoint any other committees of the Board or the members of those committees.
- (f) Approve any transaction (i) to which the Corporation is a party and in which one or more Directors have a material financial interest; or (ii) between this Corporation and one or more of its Directors or between the Corporation and any person in which one or more of its Directors have a material financial interest.

Section 2. Meetings and Actions of Committees. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Article VII of these Bylaws, concerning meetings of Directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the time for regular meetings of Committees may be determined either by resolution of the Board or by resolution of the Committee. Minutes shall be kept of each meeting of any Committee and shall be filed with the corporate records. The Board may adopt rules not inconsistent with the provisions of these Bylaws for the government of any Committee. Such rules will be contained in each Committee's job descriptions, which are approved by the Board.

Section 3. Committees. Notwithstanding anything contained in this Article VI to the contrary, the Board shall have the following Committees: Executive, Finance, Audit, Governance, Compensation (overseeing the compensation of the President/CEO and Vice President of Finance and Human Resources) and Investment. Descriptions for these committees are kept on file at the Corporation. Additionally, other committees may be formed and disbanded at the discretion of the Board, and descriptions for such committees will be kept on file at the Corporation.

ARTICLE VII. BOARD MEETINGS

Section 1. Meetings. The Board shall hold regular meetings, not less than annually, at such times and places as are determined by the Board, or if no times or places are determined by the Board, as determined by the Chair. Special meetings of the Board may be called by the Chair, the President, and the Secretary, and shall be called by the Chair on the request of any two Directors. Notices of all meetings of the Board shall be given by e-mail to the usual business or residence address of each Director at least five (5) days before the meeting, but notice may be waived by any Director expressly or by his or her attendance at the meeting.

Section 2. Meetings by Telephone Conference or Other Communication Equipment. Members of the Board may participate in a meeting through use of conference telephone, electronic video screen communication, or other communications equipment. Participation in a meeting pursuant to this Section 2 constitutes presence in person at that meeting if all of the following apply:

- (a) Each member participating in the meeting can communicate with all members concurrently.
- (b) Each member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation.
- (c) The Corporation adopts and implements some means of verifying both of the following: (i) a person communicating by telephone, electronic video screen, or other communications equipment is a Director entitled to participate in the Board meeting; and (ii) all statements, questions, actions, or votes were made by that Director and not by another person not permitted to participate as a director.

Section 3. Quorum Requirements.

(a) The attendance of a majority of the authorized number of Directors at any meeting of the Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 5 of this Article VII.

(b) Except as otherwise provided herein or in the California Nonprofit Corporation Law, including, without limitation, those provisions relating to (1) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (2) approval of certain transactions between corporations having common directorships, (3) creation of and appointments to Committees, and (4) indemnification of Directors, 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.

(c) A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors below a quorum, if any action taken is approved by at least a majority of the required quorum for that meeting or such greater number as is required by the Articles of Incorporation or these Bylaws.

Section 4. Waiver of Notice. The transaction of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (i) a quorum is present; and (ii) either before or after the meeting, each of the Directors not present, individually or collectively, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes thereof. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the Corporation records or made a part of the minutes of the meeting and shall have the same force and effect as a unanimous vote of the Board. The requirement of notice of a meeting shall also be deemed to have been waived by any Director who attends the meeting without protesting before or at its commencement about the lack of notice.

Section 5. Adjournment. A majority of Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place or may adjourn for purposes of reconvening in executive session to discuss and vote upon personnel matters, litigation in which the Corporation is or may become involved and orders of business of a similar nature. If the meeting is adjourned for more than twenty-four (24) hours, notice of adjournment to any other 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. Except as hereinabove provided, notice of adjournment need not be given.

Section 6. Action Without a Meeting. Any action required or permitted to be taken by the Board under any provision of the law may be taken without a meeting if all members of the Board individually or collectively consent in writing to the action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board and shall then have the same effect as a unanimous vote of those Directors. Any certificate or other document filed under any provision of law relating to the action taken in that matter shall state that the action was taken by unanimous consent of the Board without a meeting and that the Articles of Incorporation and the Bylaws of this Corporation authorize the Directors to act in that matter, and that statement shall be prima facie evidence of such authority.

ARTICLE VIII. OFFICERS

Section 1. Officers. The officers of the Corporation shall be: (1) a Chair, (2) a Vice Chair, (3) a Secretary, and (4) a Treasurer. The Corporation may have, at the discretion of the Board, one or more Vice Chairs, or one or more assistant Treasurers, and such other officers as may be appointed in accordance with the provisions of Section 2 following. Any two or more offices, except the office of Chair and Secretary, may be held by the same person. Notwithstanding anything contained herein this Article VIII to the contrary, the Corporation shall have a President/Chief Executive Officer who shall serve at the discretion of the Board.

Section 2. Election of Officers. The officers of the Corporation shall be chosen annually by majority vote of the Board and each officer shall serve one-year terms or until he or she shall resign or be removed or otherwise disqualified to serve, or until his or her successor shall be elected and qualified. Officers are eligible to serve more than one consecutive term.

Section 3. Removal of Officers. Any officer may be removed, either with or without cause, by the Board at any regular or special meeting.

Section 4. Resignation of Officers. Any officer may resign at any time by giving notice to the Board or to the President or to the Secretary. 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 in these Bylaws for regular appointments to that office.

Section 6. Chair. The Chair shall be elected by the Board from among the directors. The board Chair ensures the board meets its obligations and fulfills its governance responsibilities. The board Chair oversees the quality of the Board's governance processes including ensuring that the Board performs a governance role that respects and understands the role of management. The Chair works closely with the Corporation's President/CEO in support of the overall performance of the Corporation. The Chair performs these duties together with such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 7. Vice Chair. The Vice Chair shall be elected by the Board from among the directors. In the absence or disability of the Chair, the Vice Chair shall perform all the duties of the Chair and when so acting shall have all the powers of, and be subject to all the restriction upon, the Chair. He or she shall have such other powers and perform such other duties as from time to time may be prescribed by the Board or these Bylaws.

Section 8. Secretary. The Secretary shall keep minutes of the meetings of the Board, cause all notices to be duly given in accordance with the provisions of these Bylaws or as required by law, be custodian of the corporate records of the Corporation, and perform such other duties as assigned him or her from time to time by the Chair or the Board.

Section 9. Treasurer. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses,

capital, retained earnings and other matters customarily included in financial statements. The books and records shall at all reasonable times be open to inspection by any director. The Treasurer shall provide for the deposit of all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. He or she shall provide for the disbursement of the funds of the Corporation as may be ordered by the Board, shall render to the President and directors whenever they request it an account of all of his or her 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 or these Bylaws.

Section 10. President/Chief Executive Officer. Subject to such supervisory powers as the Board may give to the Chair of the Board, if any, and subject to the control of the Board, the President/CEO shall be the general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and other officers. The President/CEO shall have such other powers and duties as the Board or the bylaws may require. The President/CEO shall not be a member of the Board and shall have no voting rights.

ARTICLE IX. FINANCIAL MATTERS AND REPORTS

Section 1. Checks. All checks or demands for money and notes of the Corporation shall be signed by the Chair and Treasurer, or by such other officer or officers including, without limitation, the President/CEO or such other officers as the Board may from time to time designate.

Section 2. Books and Records. This Corporation shall keep adequate and correct books and records of account; minutes of the proceedings of its Board and committees of the Board; and a record of the members of the Board showing their names and addresses.

Section 3. Budgets and Financial Statements. Financial statements and related information for the Corporation shall be regularly prepared and copies thereof shall be distributed to each Director of the Corporation.

ARTICLE X. DISTRIBUTIONS AND DISBURSEMENTS

Section 1. Distributions. The Board, at least annually, shall determine a percentage that will be made available from the Corporation's endowed funds for grant purposes. The amount determined will apply to all endowed funds and adhere to the Uniform Prudent Management of Institutional Funds Act (commonly known as UPMIFA). The Board shall also determine the percentage of all disbursements to be made for expenses (i.e. fees on funds) incurred by the Corporation. All determinations as to distributions shall be by affirmative vote of a majority of the total Board.

Section 2. Due Diligence. The Board shall direct staff to gather and analyze facts and conduct such investigations and research as are necessary to determine the most effective distribution of funds for meeting the needs of Monterey County. The Board may, in furtherance of the Corporation's charitable purposes, when needs have been determined and with appropriate provisions to assure use solely for those purposes, direct distributions that best carry out those purposes. All distributions from funds whose establishment were accompanied by donor instructions will honor said instructions.

ARTICLE XI. GIFTS TO THE CORPORATION/VARIANCE POWER

Section 1. Gifts. The Board shall adopt and periodically review Gift Acceptance Policies governing gifts to the Corporation. All assets donated to the Corporation shall be held, administered and distributed in compliance with applicable law including, but not limited to, regulations of the United States Internal Revenue Service affecting Community Foundations. It is the purpose of this Corporation to assist donors to the greatest extent possible and in the most flexible ways possible to achieve their charitable goals. Any donor of a gift to the Corporation may give directions with respect to such gift at the time the gift is made, subject to the limitations in the Articles of Incorporation and these Bylaws.

Section 2. Variance Power. Notwithstanding any provision in these Bylaws or in any instrument of transfer creating or adding to a fund of this Corporation, and in accordance with the Articles of Incorporation of the Corporation, the Board shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if in the sole judgment of the Board (without the necessity of the approval of any participating donor, advisor appointed by a donor, trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served. The Board shall exercise this power at a meeting by the affirmative vote of a majority of the members of the Board.

ARTICLE XII. MISCELLANEOUS

Section 1. Inspection of Books and Records. In accordance with Section 6334 of the California Nonprofit Corporation Law, every Director shall have an absolute right at any reasonable time to inspect all books, records, documents and minutes of the Corporation and the physical properties owned by the Corporation. The right of inspection by a Director includes the right to make extracts and copies of documents.

Section 2. Corporate Seal. The Corporation need not have a corporate seal. However, the Board may adopt, use, and, at will, alter a corporate seal which shall be affixed to all corporate instruments, but failure to affix such shall not affect the validity of any instrument.

Section 3. Fiscal Year. The fiscal year of the Corporation shall be the twelve-month period ending on December 31, or such other period as may be designated by the Board.

Section 4. Adoption, Amendment or Repeal of Bylaws. These Bylaws shall be effective upon the adoption thereof by a majority of the Directors and certification of the adoption by the Board of Directors. Subject to limitations contained in the Articles of Incorporation and to any provisions of law applicable to amendment of Bylaws of nonprofit corporations, these Bylaws, or any of them, may be amended or repealed and new Bylaws adopted by the vote or written consent of a super majority (2/3) of the members of the Board present at a meeting called for that purpose.

Section 5. Construction and Definitions. Unless the context requires otherwise or a term is specifically defined herein, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, and singular number includes the plural and the plural number includes the singular.

Section 6. Indemnification of Corporate Agents.

(a) Any person who was or is a Director, officer, employee or other agent of the Corporation (individually “Agent” and collectively “Agents”) may be indemnified by the Corporation for any claims, demands, causes of action, expenses or liabilities arising out of, or pertaining to, the Agent’s service to or on behalf of the Corporation to the full extent permitted by California Nonprofit Corporation Law, Section 5238.

(b) 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 Section 5238 of the California Nonprofit Corporation Law; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any Agent of the Corporation for a violation of Section 5233 of the California Nonprofit Corporation Law.

(c) To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under Article XII, Sections 6, Section 7 and Section 8 of these Bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Corporation for those expenses

Section 7. Non-paid Directors; Alleged Failure to Discharge Duties; No Monetary Liability.

Except as provided in Section 5233 or 5237 of the California Nonprofit Corporation Law, there is no monetary liability on the part of, and no cause of action for damages shall arise against, any non-paid director, including any non-paid director who is also a non-paid officer, of this Corporation based upon any alleged failure to discharge the person’s duties as director or officer if the duties are performed in a manner that meets all of the following criteria:

(a) The duties are performed in good faith.

(b) The duties are performed in a manner such director believes to be in the best interests of the Corporation.

(c) The duties are performed with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

Section 8. Personal Liability of Volunteer Director or Officer for Negligence.

(a) Except as provided in subparagraph (c), below, there shall be no personal liability to a third party on the part of a volunteer director or volunteer executive committee officer of this Corporation caused by the director’s or officer’s negligent act or omission in the performance of that person’s duties as a director or officer, if all of the following conditions are met: (i) the act or omission was within the scope of the director’s or executive committee officer’s duties; (ii) the act or omission was performed in good faith; (iii) the act or omission was not reckless, wanton, intentional, or grossly negligent; and (iv) damages caused by the act or omission are covered pursuant to a liability insurance policy issued to the Corporation, either in the form of a general liability policy or a director’s and officer’s liability policy, or personally to the director or executive committee officer. In the event that the damages are not covered by a liability insurance policy, the volunteer director or volunteer executive committee officer shall not be personally liable for

the damages if the Board and the person had made all reasonable efforts in good faith to obtain available liability insurance.

(b) For purposes of this Section 9, “volunteer” means the rendering of services without compensation. “Compensation” means remuneration whether by the way of salary, fee, or other consideration for services rendered. However, the payment of per diem, mileage, or other reimbursement expenses to a director or executive committee officer does not affect that person’s status as a volunteer within the meaning of this section.

(c) This section does not eliminate or limit the liability of a director or officer for any of the following: (i) as provided in Section 5233 or 5237 of the California Nonprofit Corporation Law; or (ii) in any action or proceeding brought by the California Attorney General.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of COMMUNITY FOUNDATION FOR MONTEREY COUNTY; and

2. That the foregoing Bylaws constitute the amended Bylaws of said Corporation as duly approved by a written consent of a super majority of the members.

IN WITNESS WHEREOF, I have hereunto subscribed my name this _____ day of _____, _____.

Secretary