

**BYLAWS
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FULTON-EL CAMINO IMPROVEMENT FINANCE CORPORATION,
A California Nonprofit Public Benefit Corporation**

ARTICLE I

**Organization and Purpose,
Principal Office, Seal**

Section 1.01. Organization, Purpose and Use of Funds. The Corporation is a nonprofit public benefit corporation organized under the Nonprofit Corporation Law of the State of California to provide financial assistance to the Fulton-El Camino Recreation and Park District, a political subdivision of the State of California and a local governmental entity formed under Public Resources Code Section 5780, et seq., by acquiring, constructing and financing various public facilities and equipment for the use, benefit and enjoyment of the public (herein "facilities"). The activities of the Corporation shall be limited to the activities described in the Articles of Incorporation. No gains, profits or dividends shall be distributed to any of the members of the Corporation; and no part of the net earnings, funds or assets of the Corporation shall inure to the benefit of any Director or any other person, firm or Corporation excepting only the Fulton-El Camino Recreation and Park District.

Section 1.02. Principal Office. The principal office of the Corporation is hereby fixed at the office of the Fulton-El Camino Recreation and Park District, presently located at 2201 Cottage Way, Sacramento, California, 95825. The Board of Directors is hereby granted full power and authority to change said principal office from one location to another or eliminate any office or offices. Any such change shall be noted by the Secretary opposite this section, but shall not be considered an amendment to these Bylaws.

Section 1.03. Seal. The corporate seal of the Corporation shall set forth the name of the Corporation and shall have inscribed thereon the words "Incorporated November 5, 1991."

ARTICLE II

No Members

Section 2.01. No Members. Pursuant to Section 5310 of the Government Code, the Corporation shall have no members.

ARTICLE III

Directors

Section 3.01. Powers. Subject to limitation of the Articles of Incorporation or the Bylaws, and of the California Nonprofit Corporation Law, and subject to the duties of Directors as prescribed by the Bylaws, all the powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be controlled by, the Board of Directors. No Director shall be responsible for any error in judgment or for anything that he or she may do or refrain from doing in good faith. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Directors shall have the following powers, the exercise of which is subject to the approval of the Board of Directors of the Fulton-El Camino Recreation and Park District or its delegated representative, to wit:

First: To select and remove all the other officers, agents and employees of the Corporation, prescribe such powers and duties for them as may not be inconsistent with law or the Articles of Incorporation or Bylaws, and require from them security for faithful service;

Second: To conduct, manage and control the affairs and business of the Corporation and to make such rules and regulations therefor not inconsistent with law or the Articles of Incorporation or Bylaws, as they may deem best;

Third: For the purposes of the Corporation, to cause to be executed and delivered therefor, in the name of the Corporation, construction contracts, purchase agreements, site leases, leases, insurance contracts, employment contracts, indentures of trust, and to borrow money and incur indebtedness, including promissory notes, bonds, certificates of participation, debentures, deeds of trust, mortgages, pledges, hypothecations or other evidences of debt and securities therefor.

Fourth: To do any and all acts necessary and appropriate in order to participate in a lease financing program or other capital development financing program on behalf of the Fulton-El Camino Recreation and Park District.

Section 3.02. Number and Qualification of Directors. The authorized number of directors shall be five (5) until changed by amendment of the Bylaws.

Section 3.03. Selection and Term of Office. The directors shall be members of the Board of Directors of the Fulton-El Camino Recreation and Park District. Each director of the Corporation shall hold office for the period that director remains a member of the Board of Directors of the Fulton-El Camino Recreation and Park District and until a successor has been elected and has accepted the office.

Section 3.04. Vacancies. Subject to the provisions of Section 5226 of the California Nonprofit Corporation Law, any director may resign as a director of this Corporation effective upon giving written notice to the President, the Secretary, or the Board of Directors of this Corporation, unless the notice specifies a later time for the effectiveness of such resignation. Such resignation shall also serve as an effective resignation of said director as a member of the Board of Directors of the Fulton-El Camino Recreation and Park District. If the resignation is effective at a future time, the successor may be selected as herein

provided before such time, to take office when the resignation becomes effective.

A vacancy or vacancies on the Board of Directors of this Corporation shall exist on the occurrence of the following: (a) the death or resignation of any director; (b) the declaration by Board resolution of a vacancy of the office of a director who has been declared of unsound mind by an order of court, or convicted of a felony; (c) the removal of a director for a fraudulent act in an action in superior court under Section 9223 of the California Corporations Code; (d) the increase in the authorized number of directors; (e) the removal of a director by the Board of Directors of this Corporation for failure to attend three (3) consecutive meetings of the Board of Directors of this Corporation. Vacancies in the Board of Directors shall be filled in the same manner as the vacancies are filled in the Board of Directors of the Fulton-El Camino Recreation and Park District, that is, by appointment by the remaining members of the Board of Directors of the Fulton-El Camino Recreation and Park District pursuant to the provisions of Government Code Section 1780. Each director of this Corporation so selected to fill a vacancy on the Board shall hold office for the period of time that director remains a member of the Board of Directors of the Fulton-El Camino Recreation and Park District and until his or her successor has been designated and has accepted the office.

Section 3.05. Organization and Annual Meetings. The Board of Directors shall hold an annual meeting for the purpose of organization and selection of officers, and the transaction of other business. Annual meetings of the Board shall be held without call or notice on the first Tuesday in December of each year at 7:00 p.m. at the principal office of the Corporation. However, the time and place of the annual meeting may be changed by resolution of the Board of Directors to any other time and at any other place as determined by the Board. In such case, written notice of the time and place of the annual meeting shall be given to each director by either personal delivery of written notice, by first-

class mail postage-prepaid, or by telephone, to the address or telephone number of the director that is shown on the records of the Corporation. Mailed notice shall be deposited in the mail at least five days before the time set for the meeting. Notices given by telephone shall be telephoned at least five days prior to the time set for the meeting.

Section 3.06. Regular Meetings and Agenda. The Board of Directors by resolution may provide for the holding of regular meetings and may fix the time and place of holding such meetings. Notice of regular meetings need not be given.

At least seventy-two (72) hours before a regular meeting, the Secretary shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. No action shall be taken on any item not appearing on the posted agenda; provided, however, that action may be taken on items of business not appearing on the posted agenda if (a) there is a determination by a majority vote of the Board of Directors that an emergency situation exists, as defined in Government Code Section 54956.5; or (b) there is a determination by two-thirds (2/3) vote of the Board of Directors, or, if less than two-thirds (2/3) of the members are present, a unanimous vote of those members present, that the need to take action arose subsequent to the agenda being posted; or (c) the item was posted for a prior meeting of the Board of Directors occurring not more than five (5) calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken.

Section 3.07. Special Meetings and Notice Waiver. A special meeting of the Board of Directors shall be held whenever called by the President, or by a majority of the directors. Written notice of each such meeting shall be delivered personally or by mail or telegram to each director and to each local newspaper of general circulation, radio or television station requesting

notice in writing pursuant to Government Code Section 54956. The written notice shall be delivered personally or by mail and shall be received at least twenty-four (24) hours before the time of such meeting as specified in the notice. The call and notice shall specify the time and place of the special meeting and the business to be transacted. The call and notice shall also be posted at least twenty-four (24) hours prior to the special meeting in a location that is freely accessible to members of the public. No other business shall be considered at these meetings by the Board of Directors other than that which is specified in the call and notice.

The written notice may be dispensed with as to any director who at, or prior to the time the meeting convenes files with the Clerk or Secretary of the Board of Directors a written waiver of notice, which notice may be given by telegram. This written notice may also be dispensed with as to any director who is actually present at the meeting at the time it convenes. The transactions of any such meeting of the Board of Directors, however called and noticed, and wherever held, shall be as valid as though had at a meeting after regular call and notice if a quorum be present, provided that each of the directors not present signs a written waiver of notice with the Secretary as set forth herein. All such waivers shall be filed with the corporate records and made a part of the minutes of the meeting.

Section 3.08. Adjourned Meetings and Notice of Adjournment. The Board of Directors may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment by an affirmative vote of the majority of the directors present. Less than a quorum may so adjourn from time to time. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within twenty-four (24) hours

after the time of the adjournment.

If the meeting is to be

adjourned for more than twenty-four (24) hours, notice of the time

and place of the adjourned meeting must be given for the time the meeting is to resume to any directors who were not present at the meeting when the meeting was adjourned. When a regular or adjourned regular meeting is adjourned as provided in this section, the resulting adjourned regular meeting is a regular meeting for all purposes.

Section 3.09. Quorum. A majority of the authorized number of directors shall be necessary to constitute a quorum for the transaction of business. 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 of Directors unless a greater number be required by law or by the Articles of Incorporation.

Section 3.10. Fees and Compensation. Directors shall receive no compensation for their services as directors but are entitled to reimbursement for reasonable expenses incurred in attending meetings of the Board of Directors of this Corporation and in transacting business of this Corporation as authorized by the Board of Directors.

Section 3.11. Ralph M. Brown Act. Notwithstanding any of the provisions of these Bylaws to the contrary, all meetings of directors shall be subject to the Ralph M. Brown Act, commencing at Section 54950 of the Government Code of the State of California.

Section 3.12. Conduct of Meetings. The President or, in his absence, the Vice President, or, in his absence, a Chairman chosen by a majority of the directors present, shall preside.

ARTICLE IV

Officers

Section 4.01. Officers. The officers of the Corporation shall be a President, Vice President, a Secretary and a Treasurer. The Corporation may also have, at the discretion of the Board of Directors, one or more additional Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed by the Board of

Directors. One person may hold two (2) or more offices, except that the offices of President and Secretary or President and Treasurer may not be combined.

Section 4.02. Election. The officers shall be chosen annually by the Board of Directors, shall serve at the pleasure of the Board of Directors, and each shall hold office until the officer shall resign, be removed, or otherwise disqualified to serve, or the officer's successor is elected and qualified.

Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Corporation. The resignation shall take effect as of the date that the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective.

A vacancy in an office because of death, resignation, removal, disqualification, or any other cause, shall be filled in a manner prescribed in these Bylaws for regular elections to that office.

Section 4.03. President. The President shall be the executive officer of the Corporation and, subject to the control of the Board of Directors, shall be the general manager of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and officers. The President shall preside at all meetings of the Board of Directors and shall have such other powers and duties as the Board or the Bylaws may prescribe.

Section 4.04. Vice President. In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board of Directors or, if not ranked, the Vice President designated by the Board of Directors, shall perform all the duties of the President. When so acting, the Vice President 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 for them respectively by the Board of Directors or by the Bylaws.

Section 4.05. Secretary. The Secretary shall keep at the principal office of the Corporation, a book of minutes of all meetings, proceedings and actions of the Board of Directors. The minutes of meeting shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and, if special, how called or authorized, the notice given, the names of those present at Board of Directors' meetings, and the proceedings conducted at said meetings.

Section 4.06. Treasurer. The Treasurer shall be the chief financial officer and shall keep and maintain adequate and correct books of account showing the receipts and disbursements of the Corporation, and an account of its cash and other assets, if any. Such books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall deposit all moneys of the Corporation with such depositories as are designated by the Board of Directors, and shall disburse the funds of the Corporation as may be ordered by the Board of Directors, and shall render to the President or the Board of Directors, upon request, statements of the financial condition of the Corporation.

Section 4.07. Subordinate Officers. Subordinate officers shall perform such duties as shall be prescribed from time to time by the Board of Directors.

A R T I C L E V
Indemnification of Directors, Officers,
Employees and Other Agents

Section 5.01. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its directors, officers, employees and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments,

finances, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding", as that term is used in that Section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was "a person" described in that Section. "Expenses" as used in this

Bylaw shall have the same meaning as in Section 5238(a) of the California Corporation Code.

Section 5.02. Approval of Indemnity. On written request to the Board by any persons seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification.

Section 5.03. Advancement of Expenses. 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 Sections 5.01 and 5.02 above 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 determined that the person is entitled to be indemnified by the Corporation for those expenses.

Section 5.04. Insurance. The Corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such, whether or not this Corporation would have the power to indemnify the agent against that liability under the provisions of the California Corporations Code.

ARTICLE VI
Miscellaneous

Section 6.01. Execution of Documents. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or other person 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 to any purpose or for any amount.

Section 6.02. Dissolution. This Corporation may elect voluntarily to wind-up and dissolve by approval of a majority of the Board of Directors of this Corporation subject to the approval of the Board of Directors of the Fulton-El Camino Recreation and Park District. In the event of dissolution of this Corporation in any manner and for any cause, after the payment or adequate provision for payment of all of its debts and liabilities, all of the remaining funds, assets and properties of the Corporation shall be paid or distributed to the Fulton-El Camino Recreation and Park District.

Section 6.03. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the Nonprofit Corporation Law of the State of California shall govern the construction of these Bylaws. If any section, subsection, sentence, clause or phrase of these Bylaws, or the application thereof is contrary to the Nonprofit Corporation Law of the State of California, the provisions of that law shall prevail. Without limiting the generality of the foregoing the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a Corporation as well as a natural person.

ARTICLE VII

Amendments

Section 7.01. Amendments to Bylaws. New Bylaws may be adopted or these Bylaws may be amended or repealed by the vote of the majority of the Board of Directors of this Corporation; provided, however, that no amendment to these Bylaws nor any new Bylaws shall be effective until approved by the Board of Directors of the Fulton-El Camino Recreation and Park District .