

**BYLAWS
OF
LOS ANGELES RIVER ARTISTS AND BUSINESS ASSOCIATION
A California Nonprofit Mutual Benefit Corporation**

ARTICLE I

SECTION 1. PURPOSE

The purpose of this corporation shall be the bringing about of civic betterments and social improvements by the promotion of common good and general welfare within the Community (as defined in Section 2 of this Article I).

SECTION 2. THE COMMUNITY

The term "Community" shall mean that certain area depicted on the map attached hereto as Exhibit A and as more fully described on Exhibit B attached hereto.

ARTICLE II

OFFICES

SECTION 1. PRINCIPAL OFFICE

The principal office for the transaction of the business of this corporation ("principal executive office") is located at 201 South Sante Fe, #207, Los Angeles, California 90012.

The Directors may change the principal office from one location to another. Any change of this location shall be noted by the Secretary in 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

MEMBERS

SECTION 1. NO STATUTORY MEMBERS

This corporation shall have no members as the term "member" is defined in Section 5056 of the California Nonprofit Corporation Law.

Notwithstanding the fact that the corporation will have no statutory members, the corporation shall refer to persons or entities associated with it as "Members" even though such persons or entities are not members as that term is defined in the California Nonprofit Corporation Law, and no such reference shall make anyone a member within the meaning of Section 5056 of the California Nonprofit Corporation Law. The persons referred to as Members of the Corporation shall have only such rights as are granted pursuant to these Bylaws.

SECTION 2. MEMBERSHIP

Subject to Section 1 of Article III above and such other additional requirements and qualifications as are approved by the Board of Directors, the corporation shall have non-statutory members ("Members"); however, each Member must meet the following qualifications:

(a) Each Member must be either (i) a resident of the Community; (ii) an owner of real property located within the Community; (iii) an owner, operator or employee of a business located within the Community; or (iv) a person who conducts business within the Community on a regular basis.

(b) Each Member must be an individual.

SECTION 3. CERTIFICATES OF MEMBERSHIP

The corporation shall not issue membership certificates; however, the corporation reserves the right to issue identity cards or similar devices to Members which serve to identify Members.

SECTION 4. VOTING RIGHTS

Members shall not have any voting rights as provided in Section 5056 of the California Nonprofit Corporation Law; however, the Board of Directors may, from time to time, put matters before the Members to gather a consensus response of the Members or the Members may bring such matters before the corporation for a Member vote, and the decision of the Members pursuant to such vote shall be the position of the corporation on such matters voted on by the Members.

SECTION 5. MEMBERSHIP FEE

Each Member shall pay an annual membership fee in such amount and at such times as shall be determined by the Board of Directors. Membership fees may be prorated at the sole discretion of the Board of Directors.

SECTION 6. NO TRANSFER OF MEMBERSHIP

Membership in the corporation shall not be transferable.

SECTION 7. TERMINATION OF MEMBERSHIP

(a) The membership Membership and all rights of membership shall automatically terminate on the occurrence of any of the following causes:

(1) The voluntary resignation of a Member with notice as prescribed by Section 7(b) of this Article;

(2) The death of a Member;

(3) The nonpayment of the annual fee, as set forth in Section 7(c) of this Article; and

(4) The Member, at any time, fails to meet the qualifications set forth in Section 2 of this Article III.

(b) ~~The membership~~ *Membership* of any Member of the corporation shall automatically terminate on such Member's written request for such termination delivered to the Chairman, President or Secretary of the corporation personally or deposited in United States first-class mail, postage prepaid.

(c) ~~The membership~~ *Membership* of any Member who fails to pay his or her annual fee when due and within thirty (30) days thereafter shall automatically terminate at the end of such thirty (30) day period.

SECTION 8. PLACE OF MEETINGS

Meetings of Members shall be held either at the principal office of the corporation or at any other place within or without the State of California which may be designated by the Board.

SECTION 9. ANNUAL MEETINGS

The corporation shall hold annual meetings of Members on such date and at such time as may be fixed by the Board of Directors.

SECTION 10. SPECIAL MEETINGS

Special meetings of Members may be called for any lawful purpose at any time by the Board of Directors, the Chairman of the Board of Directors, the President, or five percent (5%) or more of the Members. Upon request in writing to the Chairman of the Board of Directors, any Vice Chairman, the President, any Vice President or the Secretary by any person (other than the Board of Directors) entitled to call a special meeting of Members, the officer forthwith shall cause notice to be given to the Members that a meeting will be held at a time fixed by the Board of Directors, not less than thirty-five (35) nor more than ninety (90) days after the receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the persons entitled to call the meeting may give the notice.

SECTION 11. NOTICE OF ANNUAL OR SPECIAL MEETINGS

Written notice of each annual or special meeting of Members shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting to each Member entitled to notice thereof; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, the notice shall be given not less than twenty (20) days before the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of the mailing of the notice, intends to present matters to the Members for a vote.

Notice of a Members' meeting shall be given either personally or by mail or by other means of written communication, addressed to a Member at the address of such Member appearing on the books of the corporation or given by the Member to the corporation for the purpose of notice, or, if no such address appears or is given, at the place where the principal office of the corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal office is located. 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 12. QUORUM

One-third of the Members, represented in person or by proxy, shall constitute a quorum at any meeting of Members. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the Members. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

SECTION 13. ADJOURNED MEETINGS AND NOTICE THEREOF

Any Members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the votes represented in person, but in the absence of a quorum, (except as provided in Section 12 of this Article III) no other business may be transacted at such meeting. No meeting may be adjourned for more than forty-five (45) days.

It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken; provided, however, that if after adjournment a new record date is fixed for voting, a notice of the adjourned meeting shall be given to each Member who, on the record date for notice of the meeting, is entitled to vote at the meeting, as in the case of the meeting as originally called.

SECTION 14. VOTING

The Members entitled to notice of any meeting or to vote at any such meeting shall be only persons in whose name memberships stand on the records of the corporation on the record date for notice determined in accordance with Section 15 of this Article III.

SECTION 15. RECORD DATE

The Board of Directors may fix, in advance, a record date for the determination of (i) the members entitled to notice of any meeting of

Members, and (ii) the Members entitled to vote at any meeting. The former record date so fixed shall be no more than ninety (90) days nor less than ten (10) days prior to the date of the meeting, and the later notice shall be not more than sixty (60) days nor less than ten (10) days prior to the date of the meeting. When a record date is so fixed, only Members of record on that date are entitled to notice, to vote, or to exercise the rights for which the record date was fixed. A determination of Members of record entitled to notice of a meeting of Members shall apply to any adjournment of the meeting unless the Board of Directors fixed a new record date for the adjourned meeting.

If no record date is fixed by the Board of Directors, the record date for determining members entitled to notice of a meeting of Members shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held. If no record date is fixed by the Board of Directors, Members on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting of Members or, in case of an adjourned meeting, Members on the day of the adjourned meeting who are otherwise eligible to vote are entitled to vote at the adjourned meeting of Members. The record date for determining Members for any purpose other than set forth in this Section 15 or Section 17 of this Article III shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto, or the sixtieth day prior to the date of such other action, whichever is later.

SECTION 16. CONSENT OF ABSENTEES

The transactions of any meeting of Members, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote, not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of notice and presence at such meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by the California Nonprofit Corporation Law to be included in the notice but not so included, if such objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of Members need be specified in any written waiver of notice, consent to the holding of the meeting, or approval of the minutes thereof, except as provided in Section 7511 (f) of the California Nonprofit Corporation Law.

SECTION 17. ACTION WITHOUT MEETING

Any action which, under any provision of the California Nonprofit Corporation Law, may be taken at any regular or special meeting of Members, may be taken without a meeting if: (i) the written ballot of every Member is solicited; (ii) the required number of signed approvals in writing, setting forth the action so taken, is received; and (iii) the number of ballots cast within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals

equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Unless a record date for voting purposes be fixed as provided in Section 15 of this Article III, the record date for determining Members entitled to cast written ballots pursuant to this Section 17, when no prior action by the Board of Directors has been taken, shall be the day on which the first written ballot is mailed or solicited, whichever is first.

Alternatively, any action required or permitted to be taken by the Members may be taken without a meeting, if all Members individually or collectively consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the Members.

SECTION 18. PROXIES

There shall be no right to vote by proxy.

SECTION 19. CONDUCT OF MEETING

(a) The Chairman shall preside at all meetings of the Members. The Chairman shall conduct each such meeting in a businesslike and fair manner, but shall not be obligated to follow any technical, formal, or parliamentary rules or principles of procedure. The Chairman's rulings on procedural matters shall be conclusive and binding on all Members, unless at the time of a ruling a request for a vote is made to the Members entitled to vote and which are represented in person or by proxy at the meeting, in which case the decision of a majority of such Members shall be conclusive and binding on all Members. Without limiting the generality of the foregoing, the Chairman shall have all of the powers usually vested in the Chairman of a meeting of Members.

(b) The Secretary of the corporation shall act as the secretary of all meetings of Members; provided that in his or her absence, the Chairman of the meetings of Members shall appoint another person to act as secretary of the meetings.

(c) If there are three (3) inspectors of election, the decision, act, or certificate of a majority is effective in all respects as the decision, act, or certificate of all.

(d) On request of the Chairman or any Member or Member's proxy, the inspectors of election shall make a report in writing concerning the performance of their duties and execute a certificate of any fact found by them. Any report or certificate made by the inspectors shall be prima facie evidence of the facts stated herein.

ARTICLE IV

DIRECTORS

SECTION 1. POWERS

(a) General corporate powers. Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the Articles of Incorporation and these Bylaws, the business and affairs of the corporation

shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

SECTION 2. NUMBER AND QUALIFICATION OF DIRECTORS

The authorized number of Directors shall be a minimum of twenty (20) and a maximum of thirty nine (39). The Directors shall be elected as provided for in Article IV, Sections 3, 4 and 5. The exact number of authorized Directors of the corporation shall be thirty ~~four~~ (34) (30); however, the number of Directors may be changed from time to time by an amendment to this Bylaw duly adopted by approval of the Board of Directors. Each Director shall pay to the Corporation an annual fee (the "Director's Fee") in an amount determined by the Board of Directors from time to time.

SECTION 3. ELECTION AND TERM OF OFFICE OF DIRECTORS

Each of the Directors (other than those elected to fill vacancies) shall hold office for a ~~period of six years. Directors for terms which shall expire shall be elected at the annual term of one (1) year and until such Director's successor has been duly elected.~~ All offices of the Directors shall be subject to an election held at the annual meeting. At least thirty (30) days but not more than forty-five (45) days prior to the annual meeting, a special meeting of the Board of Directors. ~~Directors for vacancies shall be elected at a special or annual meeting of the Board of Directors. The Board of Directors shall conduct a separate election for each position available by reason of a vacancy or new term shall be held for the purpose of nominating candidates for the offices of the Directors. Any director may nominate one of more candidates, including himself or herself. All candidates must meet the qualification requirements set forth in Section 2 of Article III above. The Board of Director shall use its best effort to nominate an equal number of artists and nonartists as candadates. Directors shall be elected at the annual meeting. Each Director shall be entitled to one (1) vote at each of the elections the election of each office of Director. The candidate receiving the highest number of votes for such new term or vacancy will be elected.~~ office of Director shall be elected. The Board of Directors shall use its best efforts to elect an equal number of artists and nonartists as Directors. Directors shall be eligible for reelection without limitation on the number of terms they may serve. ~~Each Director, including a director elected to fill a vacancy or Directors for vacancies shall be nominated and elected at a special meeting,~~ of the Board of Directors. The Board of Directors shall conduct a separate election for each position available by reason of a vacancy. Each Director elected to fill a vacancy shall hold office for the unexpired term and until a successor has been duly elected.

SECTION 4. VACANCIES

(a) **Events Causing Vacancy.** A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of the following: (i) the death or resignation of any Director, (ii) the removal of a Director by the Board of Directors pursuant to subsection (d) of this Section 4, (iii) the increase of the authorized number of Directors, or (iv) the failure of a Director to timely pay annually the Director's Fee. A vacancy or vacancies in the Board of Directors shall be filled by an election held at a special or annual meeting of the Board of Directors.

(b) **Resignations.** Except as provided in this paragraph, any Director may resign, which resignation shall be effective upon giving written notice to the President, the Secretary, or the Board of Directors, 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 of Directors may elect a successor to take office when the resignation becomes effective.

(c) **No Vacancy or Reduction of Number of Directors.** No resolution to reduce the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

(d) **Removal by the Board.** The Board of Directors may declare vacant the office of a Director on the occurrence of any of the following events:

(1) The Director has been declared of unsound mind by a final order of court;

(2) The Director has been convicted of a felony;

(3) The Director has been found by a final order or judgment of any court to have breached duties imposed by Section 7238 of the Corporations Code on directors who perform functions with respect to assets held in charitable trust;

(4) The Director has failed to attend three (3) consecutive meetings of the Board; or

(5) A majority of the Directors then in office has approved the removal of such Director pursuant to Section 7222 of the California Nonprofit Corporation Law.

SECTION 5. INSPECTORS OF ELECTION

(a) In advance of any meeting of the Board of Directors, the Board of Directors may appoint any persons, other than candidates for office, as inspectors of election to act at the meeting and any adjournment thereof. If the inspectors of election are not so appointed, or if any persons so appointed fail to appear or refuse to act, the Chairman of any meeting may, and on request of any Director must, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If appointed at a meeting on the request of one or more Directors, the majority of Directors shall determine whether one (1) or three (3) inspectors are to be appointed.

(b) The inspectors of election shall perform the following duties:

(1) Determine the number of Directors at the meeting and the existence of a quorum;

(2) Receive votes, ballots, or consents;

(3) Hear and determine all challenges and questions in any way arising in connection with the right to vote;

- (4) Count and tabulate all votes and consents;
- (5) Determine when the polls shall close;
- (6) Determine the result; and
- (7) Do such acts as may be proper to conduct the election or vote with fairness to all Directors.

SECTION 6. PLACE OF MEETINGS; MEETINGS BY TELEPHONE

Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time-to-time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the Board of Directors shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the corporation.

Notwithstanding the above provisions of this Section 6, a regular or special meeting of the Board of Directors may be held at any place consented to in writing by all the Board of Directors members, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

SECTION 7. ANNUAL MEETINGS

An annual meeting of the Board of Directors shall be held on such dates as the Board of Directors may determine, for the purpose of organization, election of directors, election of officers, and the transaction of other business. Call and notice of all regular meetings of the Board of Directors are hereby dispensed with.

SECTION 8. SPECIAL MEETINGS

(a) **Authority to call.** Special meetings of the Board of Directors for any purpose may be called at any time by the President, any Vice President, the Secretary, or any two Directors.

(b) **Notice**

(i) **Manner of giving.** Notice of the time and place of special meetings shall be given to each Director by one of the following methods: (a) by personal delivery or written notice; (b) by first-class mail, postage paid; (c) by telephone communication, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate such notice promptly to the Director; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the Director's address or telephone number as shown on the record of the corporation.

(ii) **Time requirements.** Notices sent by first-class mail shall be deposited into a United States mail box at least four (4) days

before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least forty-eight (48) hours before the time set for the meeting.

(iii) **Notice contents.** The notice shall state the time and place for the meeting. However, it need not specify the purpose of meeting.

SECTION 9. QUORUM

One-third (1/3) of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11 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 of Directors, subject to the provisions of the California Nonprofit Corporation Law, especially those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, and (ii) 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 10. WAIVER OF NOTICE

The transactions of any meeting of the Board of Directors, 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 (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

SECTION 11. ADJOURNMENT

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

SECTION 12. NOTICE OF ADJOURNMENT

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 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 13. ACTION WITHOUT MEETING

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board of Directors, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a

unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

ARTICLE V

COMMITTEES AND ADVISORY BOARD

(a) The Board of Directors may, by resolution adopted by a majority of the number of Directors then in office, provided that a quorum is present, create one or more committees, each consisting of two or more Directors, to serve at the pleasure of the Board of Directors. Appointments to such committees shall be by a majority vote of the Directors then in office, unless the ~~articles or bylaws~~ *Articles of Incorporation or Bylaws* require a majority vote of the number of Directors authorized in the ~~articles or bylaws~~ *Articles of Incorporation or Bylaws*. The Board of Directors may appoint one or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. Any such committee, to the extent provided in the resolution of the Board of Directors or in the ~~bylaws~~ *Bylaws*, shall have all the authority of the Board of Directors, except with respect to:

- (1) The filling of vacancies on the Board of Directors or in any committee which has the authority of the Board.
- (2) The fixing of compensation of the Directors for serving on the Board of Directors or on any committee.
- (3) The amendment or repeal of bylaws or the adoption of new bylaws.
- (4) The amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable.
- (5) The appointment of committees of the Board of Directors or the members thereof.
- (6) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.
- (7) The approval of any self-dealing transaction except as provided in ~~paragraph~~ Section 7233 of the *California Nonprofit Corporation Law*.

(b) Subdivision (a) shall not apply to any committee Director which does not exercise the authority of the Board of Directors.

(c) Unless the ~~bylaws~~ *Bylaws* otherwise provide, the Board of Directors may delegate to any committee powers as authorized by Section 7210 of the *California Nonprofit Corporation Law*, but may not delegate the powers set forth in paragraphs (1) through (8) of subdivision (a) of this section.

(d) *The board of Directors may, by resolution adopted by a majority of the number of Directors then in office, provided that a quorum is present, create offices for Advisory Directors and nominate and elect*

individuals for such offices, who shall serve at the pleasure of the Board of Directors.

(e) An Advisory Director shall have no authority or rights of a Director, except for the right to notice of all special and annual meetings of the Board of Directors, and the right to attend all such meetings.

ARTICLE VI

OFFICERS

SECTION 1. OFFICERS

The officers of the corporation shall be a Chairman of the Board of Directors and/or President, a Secretary, and a Chief Financial Officer/Treasurer. The corporation may also have, at the discretion of the Board of Directors such other officers as may be appointed in accordance with the provisions of Section 3 of this Article VI. Any number of offices may be held by the same person.

SECTION 2.

The officers of the corporation, except those appointed in accordance with the provisions of Section 3 of this Article VI, shall be chosen by the Board of Directors, and each shall serve at the pleasure of the Board of Directors, subject to the rights, if any, of an officer under any contract of employment.

SECTION 3. SUBORDINATE OFFICERS

The Board of Directors may appoint, and may authorize the Chairman of the Board of Directors or the President or another officer to appoint, any other officers that the business of the corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined from time-to-time by the Board of Directors.

SECTION 4. REMOVAL OF OFFICERS

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 regular or special meeting of the Board of Directors, or, except in case of an officer chosen by the Board of Directors, by an officer on whom such power of removal may be conferred by the Board of Directors.

SECTION 5. RESIGNATION OF OFFICERS

Any officer may resign at any time by giving written notice to the 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 the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

SECTION 6. VACANCIES IN OFFICES

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

SECTION 7. RESPONSIBILITIES OF OFFICERS

(a) **Chairman of the Board.** The Chairman shall preside at meetings of the Board of Directors and meetings of the Members and, in the absence of a President, shall perform such duties of the office of President. The Chairman of the Board shall have such other duties and powers as may be prescribed by the Board of Directors or the Bylaws.

(b) **President.** The President shall be subject to the control of the Board of Directors and shall generally supervise, direct, and control the business and the officers of the corporation. The President shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws and, in absence of a Chairman of the Board of Directors, shall preside at all meetings of the Board of Directors and meetings of the Members.

(c) **Secretary.** The Secretary shall attend to the following:

(i) **Book of minutes.** The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of Directors, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.

(ii) **Notices, seal and other duties.** The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors required by the Bylaws to be given. He shall keep the seal of the corporation in safe custody. He shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

(d) **Chief Financial Officer/Treasurer.** The Chief Financial Officer shall attend to the following:

(i) **Books of account.** The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of 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 of account shall be open to inspection by any Director at all reasonable time.

(ii) **Deposit and disbursement of money and valuables.** The Chief Financial officer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors; shall disburse the funds of the corporation as may be ordered by the Board of Directors; shall render to the President and Directors, whenever they request it, an account of all of his transactions as Chief Financial Officer and of

the financial condition of the corporation; and shall have other powers and perform such other duties as may be prescribed by the Board of Directors or the Bylaws.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

SECTION 1. INDEMNIFICATION

The corporation shall, to the maximum extent permitted by the California Nonprofit Corporation Law, indemnify each of its agents against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of the fact that any such person is or was an agent of the corporation. For purposes of this Article VI, an "agent" of the corporation includes any person who is or was a trustee, director, officer, employee or other agent of the corporation, partnership, joint venture, trust or other enterprise; or was a director, officer, employee or agent of a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

SECTION 2. ADVANCE OF EXPENSES

Expenses incurred in defending any proceeding may be advanced by this corporation to the maximum extent permitted by the California Nonprofit Corporation Law.

SECTION 3. CONTRACTUAL RIGHTS OF NONDIRECTORS AND NONOFFICERS

Nothing contained in this Article shall affect any right to indemnification to which persons other than Directors and officers of this corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

SECTION 4. INSURANCE

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of 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 this corporation would have the power to indemnify the agent against that liability under the provisions of this section.

ARTICLE VIII

RECORDS AND REPORTS

SECTION 1. MAINTENANCE OF ARTICLES AND BYLAWS

The corporation shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its

principal business office in this State, the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

SECTION 2. MAINTENANCE OF OTHER CORPORATE RECORDS

The accounting books, records, and minutes of proceedings of the Board of Directors and shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the principal executive office of the corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form.

SECTION 3. INSPECTION BY DIRECTORS

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 of inspection includes the right to copy and make extracts of documents.

SECTION 4. INSPECTION OF CORPORATE RECORDS BY MEMBERS

A Member may do either or both of the following for a purpose reasonably related to such Member's interest as a Member:

(a) Inspect and copy the record of all Members' names, addresses, and voting rights, at reasonable times, upon five business days prior written demand upon the corporation, which demand shall state the purpose for which the inspection rights are requested; or

(b) Obtain from the Secretary of the corporation, upon written demand and tender of a reasonable charge, a list of the names, addresses, and voting rights of those Members entitled to vote for the election of Directors, as of the most recent record date for which it has been compiled or as of a date specified by the Member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The Secretary shall make the membership list available on or before the later of ten (10) business days after the demand is received or after the date specified therein as the date as of which the list is to be compiled.

(c) The corporation, may within ten (10) business days after receiving a demand, as set forth above in paragraph (a) or (b) of this Section 1, deliver to the persons (s) making the demand a written offer of an alternative method of achieving the purpose identified in said demand without providing access to or a copy of the membership list. Any rejection of the corporation's offer shall be in writing and shall indicate the reasons the alternative proposed by the corporation does not meet the proper purpose of the demand made pursuant to paragraph (a) or (b) of this Section 1.

The accounting books and records and minutes of proceedings of the members and the Board of Directors and committees of the Board of Directors shall be open to inspection upon written demand on the corporation

of any Member at any reasonable time for a purpose reasonably related to such person's interests as a Member.

SECTION 5. INSPECTION OF ARTICLES AND BYLAWS

The corporation shall keep in its principal office in the State of California the original or a copy of its *Articles of Incorporation* and of these Bylaws as amended to date, which shall be open to inspection by Members at all reasonable times during office hours. If the corporation has no office in the State of California, it shall upon the written request of any Member furnish to such Member a copy of the *Articles of Incorporation* or Bylaws as amended to date.

SECTION 6. ANNUAL REPORT

The corporation shall provide to the Directors, upon request, within 120 days of the close of its fiscal year, a report containing the following information in reasonable detail:

- (1) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- (2) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (3) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year; and
- (4) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

ARTICLE IX

CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, 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 above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the corporation and a natural person.

ARTICLE X

AMENDMENTS

Bylaws may be adopted, amended, or repealed or new Bylaws may be adopted by the affirmative vote of a majority of the Board of Directors.

SECRETARY'S CERTIFICATE

THIS IS TO CERTIFY that the foregoing Bylaws have been duly adopted by the Incorporator of LOS ANGELES RIVER ARTISTS AND BUSINESS ASSOCIATION on _____, 1993.

IN WITNESS WHEREOF, the undersigned, duly elected and acting Secretary of the corporation, has signed this Certificate this _____ day of _____, 1993.

Secretary

EXHIBIT "B"

DESCRIPTION

All that certain land situated in the City of Los Angeles, County of Los Angeles, State of California, located within the following described boundaries:

Beginning at the Northwesterly corner of Alameda Street where said Alameda Street adjoins with the Southerly line of the Hollywood Freeway; thence Easterly along the Southerly line of the Hollywood Freeway to the Westerly line the "Los Angeles River"; thence South along the Westerly line of the "Los Angeles River" to the Southerly line of Olympic Boulevard where said Olympic Boulevard adjoins with the "Los Angeles River"; thence West along the Southerly line of Olympic Boulevard to a point where Olympic Boulevard meets with the "Santa Monica Freeway" between Lemon Street and Wilson Street; thence Southwest along the Southerly line of the "Santa Monica Freeway" to the Northeasterly corner of Long Beach Avenue; thence North along the Easterly line of Long Beach Avenue to the Northeasterly corner of Long Beach Avenue and Olympic Boulevard; thence Southeasterly along the Northerly line of Olympic Boulevard to the Northwesterly corner of Olympic Boulevard and Alameda Street; thence North along the Westerly line of Alameda Street to the point of beginning.

END BYLAWS

Internal Revenue Service

**Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201**

Date: March 11, 2003

Person to Contact:

Dave Evans

ID# 31-02826

Toll Free Telephone Number:

8:00 a.m. to 6:30 p.m. EST

877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

95-4556739

Los Angeles River Artists and Business
Association
c/o Tim Keating
215 S. Santa Fe Ave., Ste. 8
Los Angeles, CA 90012-4315

Dear Sir or Madam:

Thank you for submitting the information shown below. The changes indicated do not adversely affect the exempt status of your organization. The exemption letter previously issued continues in effect.

Please advise us of any future change in the character, purpose, method of operation, name, or address of your organization. Such notification is a requirement for retaining exempt status.

Thank you for your cooperation.

Sincerely,

John E. Ricketts, Director, TE/GE
Customer Account Services

Item: Restated Articles of Incorporation dated December 18, 2002

RESOLUTION

LOS ANGELES RIVER ARTISTS AND BUSINESS ASSOCIATION A California Nonprofit Public Benefit Corporation

The directors of Los Angeles River Artists And Business Association ("the Company"), a California Nonprofit Mutual Benefit Corporation, held a duly noticed meeting on November 20, 2002 and, after full discussion, voted in favor of adopting the following resolution:

WHEREAS, the Company was incorporated as a mutual benefit corporation and has recently applied for exemption from income tax pursuant to Section 23701f of the Revenue and Taxation Code; and

WHEREAS, the Franchise Tax Board requires that a corporation applying for exemption under 23701f must qualify as a public benefit corporation; and

WHEREAS, the Company would be best served to amend its Articles of Incorporation to change its status to a public benefit corporation;

NOW THEREFORE IT IS RESOLVED that the Board of Directors hereby approves the amendment to the Articles of Incorporation to completely restate its charter as follows:

I

The name of this corporation is LOS ANGELES RIVER ARTISTS AND BUSINESS ASSOCIATION

II

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes.

The specific purpose of the corporation is to bring about civic betterments and social improvements by the promotion of common good and general welfare.

III

The name and address in this state of the corporation's agent for service of process is Timothy Keating, 120 S. Vignes Street #403, Los Angeles, CA 90012.

IV

This corporation is organized and operated exclusively for social welfare purposes within the meaning of Internal Revenue Code Section 501(c)(4).

V

The property of this corporation is irrevocably dedicated to social welfare purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer, or member thereof or to the benefit of any private person.

VI

Upon dissolution or winding up of the corporation, all its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for social welfare purposes and which has established its tax exempt status under Internal Revenue Code Section 501(c)(4).

RESOLVED FURTHER, that the president and secretary are authorized and directed to execute a Certificate of Amendment to the Articles of Incorporation and to cause such certificate to be filed with the office of the Secretary of State of California.

There being no further business to come before the board, the meeting was adjourned.

DATED: 12-18-02

Tom Guiton, Secretary

The undersigned, constituting a quorum of the directors of the corporation present on ~~November~~ ~~20~~ December 18, 2002, hereby consent to the resolutions set forth in the foregoing minutes.

DATED: 12-18-02

Director

PROPOSED AMENDMENT TO BYLAWS:

ARTICLE I, SECTION 1 - PURPOSE. (First page)

Add another sentence at the end:

"Additionally, the Corporation shall preserve, protect and promote the Community in a way that encourages interaction with and benefit from the world beyond the Community."

Reason for the proposed change: To expand the intent of the organization to not only include betterment of our local community, but to facilitate interaction with the larger community interested in the arts and issues involving the Downtown Arts District.

PROPOSED CHANGE OF ARTICLE I, SECTION 2. THE
COMMUNITY: (First page)

Delete the current paragraph and insert the following paragraph:

"The term 'Community' shall mean that certain area bordered by Alameda, the Los Angeles River, Sixth Street, and Banning Street in the City of Los Angeles."

Reason for the proposed change: To better define the Downtown Arts District.

PROPOSED AMENDMENT TO BYLAWS:

ARTICLE III, SECTION 4. VOTING RIGHTS (Page 2)

Add another paragraph after the first paragraph as follows:

"However, at the designated annual meeting, members will elect the Directors for the Board of Directors by a simple majority of the Members present at the meeting. The procedure and certification of this election is to be as set forth in later articles of these Bylaws."

Reason for proposed change: To make the organization responsive to the members.

ARTICLE IV - SECTION 3, ELECTION AND TERM OF OFFICE OF DIRECTORS: (page 8)

The following sentences shall be deleted from this section:

"Each Director shall be entitled to one (1) vote at the election of each office of Director."

Insert in its place:

"Directors shall be elected by a majority of the members present."

Reason for proposed change: If the amendment to Article II, Voting Rights of Members, is amended so that members now elect the board, then this change is required for conformity.

SECTION 11 - NOTICE OF MEETINGS (Pg. 4)

Add another short paragraph at the end:

"Notice shall be deemed to have been given by the posting of 24 notices of the meeting in public places within the Community, as that area is defined in Section 2, or by posting notice of such a meeting on any website maintained by organization."

Reason for proposed change: To allow more flexibility of notice.

PROPOSED AMENDMENT TO BYLAWS:

ARTICLE VI, OFFICERS - SECTION I

In the first sentence,

"The officers of the corporation shall be a Chairman of the Board of Directors and/or President," etc.

change to:

"The officers of the corporation shall be a President, Vice President," etc.

ARTICLE VI, OFFICERS - SECTION 7

In subsection (a), change any reference to "Chairman of the Board" or "Chairman" to "President."

In subsection (b), change any reference to "President" to "Vice President."

Reason for proposed change: For clarity of concept.