

**AMENDED AND RESTATED BYLAWS**  
**OF**  
**THE LEICHTAG FOUNDATION**  
**A California Nonprofit Public Benefit Corporation**

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**ARTICLE I**

**NAME**

The name of this corporation is THE LEICHTAG FOUNDATION, a California nonprofit public benefit corporation.

**ARTICLE II**

**OFFICES**

**Section 1 Principal Office.** The principal office for the transaction of the activities and affairs of the corporation ("principal executive office") is located at 441 Saxony Road, Encinitas, California, 92024. The board of directors may from time to time change the principal executive 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 conduct its activities.

**ARTICLE III**

**OBJECTIVES AND PURPOSES**

The purposes for which this corporation is formed are as follows:

**Section 1 General Purposes.** This corporation is organized exclusively for charitable and public purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue Law (the "Code"). Notwithstanding any other provision of these Bylaws, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or (ii) by a corporation defined in Section 170(c)(2) of the Code.

**Section 2 Specific Purposes.** Within the context of the general purposes stated above, this corporation has been formed for the following specific purposes:

(a) To receive, acquire, hold, manage, administer and expend property and funds in furtherance of the corporation's charitable, educational and public purposes, as the board of directors shall from time to time determine, and to assist and support, within the discretion of the board of directors, institutions, organizations, associations, trusts, governmental entities and undertakings which are described in Section 501(c)(3) of the Code and exempt from taxation under Section 501(a) of the Code. In furthering these purposes, the board of directors may adopt a policy statement (the "Policy Statement") to guide its efforts. The Policy Statement shall set forth the organizations described in Section 501(c)(3) of the Code to which the corporation shall provide assistance and support in the manner and amount as determined by the board of directors.

(b) To act as trustee under charitable and public benefit trusts, receiving, holding, managing, administering and expending property and funds in accordance with the respective trusts upon which the property and funds are acquired and held.

(c) To receive, hold, manage, administer and expend property and funds upon the general and charitable trust that the property and funds, either as to principal or income or both, shall be applied to the assistance and support of such charitable or public institutions or objects, at such times, and to such extent, as the corporation may in its judgment deem most conducive to the public welfare.

(d) To take property and funds by will, gift or otherwise, with or without specification of any charitable or public purpose; but if no charitable or educational purpose is specified, the property or funds so received shall, nevertheless, be held upon the trust that they shall be used for charitable or educational purposes.

(e) To hold, in its own name and right, real and personal property of every nature and description without limitation as to extent, character or amount, and with all the powers of control, management, investment, change and disposal incident to the absolute ownership of property or funds by a private person, subject only to the terms of a particular trust and to the general trust that all its properties and funds shall be held for charitable and public purposes.

(f) To establish one or more common trust funds for the purpose of furnishing investments to this corporation or to any beneficial, charitable or public institution affiliated with it, or to any organization, society or corporation holding funds or property for the benefit of any of the foregoing, or holding funds for the purpose of supporting any building or buildings used by or owned by any of the foregoing, whether holding such funds or property as fiduciary or otherwise.

(g) To purchase or otherwise acquire, own, hold, sell, assign, transfer or otherwise dispose of, mortgage, pledge, or otherwise hypothecate or encumber, and to deal in and with shares, notes, bonds, debentures, or other securities or evidences of indebtedness of any person, firm, corporation, or association and, while the owner or holder thereof, to execute all rights, powers, and privileges of ownership.



(h) To borrow money, either upon or without security, and to issue promissory notes or other evidences of indebtedness and pledges, mortgages or other instruments of hypothecation.

(i) To appoint and pay officers and agents to conduct and administer the affairs of this corporation.

(j) To adopt bylaws prescribing the duties of the officers and agents of this corporation, the detail of its organization, the time and manner of its meetings, and any and all details incident to its organization and the efficient conduct and management of its affairs.

(k) To do any and all things which a natural person may do that are necessary or desirable for the purposes for which the corporation is organized, and to carry into effect any one or more of the aforementioned objects and purposes set forth and to that end to do any one or more of the acts and things aforesaid, and likewise any and all acts or things necessary or incidental thereto; and, in conducting or carrying on its activities, and for the purpose of promoting or furthering any one or more of said objects or purposes, to exercise any or all of the powers set forth in this ARTICLE III, and any other or additional power now or hereafter authorized by law either alone or in conjunction with others as principal, agent or otherwise.

The foregoing statement of purposes shall be construed as a statement of both purposes and powers, and the purposes and powers in each clause shall, except where otherwise expressed, be in no way limited or restricted by reference to or inference from the terms or provisions of any other clause but shall be regarded as independent purposes and powers.

**Section 3 Limitations.** So long as the corporation constitutes a Private Foundation within the meaning of Section 509(a) of the Code, it shall comply with the following provisions set forth in Section 508(e) of the Code:

(a) The corporation will distribute its income for each tax year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.

(b) The corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Code.

(c) The corporation will not retain any excess business holdings as defined in Section 4943(c) of the Code.

(d) The corporation will not make any investments in such a manner as to subject it to tax under Section 4944 of the Code.

(e) The corporation will not make any taxable expenditures as defined in Section 4945(d) of the Code.

## **ARTICLE IV**

### **NONPARTISAN ACTIVITIES**

This corporation has been formed under the California Nonprofit Corporation Law for the purposes described in ARTICLE III hereof, and it shall be nonprofit and nonpartisan. No substantial part of the activities of this corporation shall consist of lobbying or propaganda, or otherwise attempting to influence legislation, except as provided in Section 501(h) of the Code, and this corporation shall not participate in, or intervene in (including publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. This corporation shall not provide support or monetary contributions to political candidates or political propositions or initiatives.

## **ARTICLE V**

### **DEDICATION OF ASSETS**

All corporate property is irrevocably dedicated to the purposes described in ARTICLE III hereof. No part of the net earnings of this corporation shall inure to the benefit of any of its directors, officers, trustees, private shareholders or members, or to individuals. On the winding up and dissolution of this corporation, after paying or adequately providing for the debts, obligations, and liabilities of the corporation, the remaining assets of this corporation shall be distributed to such organization (or organizations) organized and operated exclusively for charitable, religious, scientific, testing for public safety, literary, or educational purposes, fostering national or international amateur sports competition (but only if no part of its activities involve the provision of athletic facilities or equipment), or for the prevention of cruelty to children or animals, which has established its tax-exempt status under (i) Section 501(c)(3) of the Code, and (ii) Section 23701d of the California Revenue and Taxation Code, as amended.

## **ARTICLE VI**

### **CORPORATION WITHOUT MEMBERS**

**Section 1 Statutory Members.** Until such time as these Bylaws are amended to provide for membership, this corporation shall have no members within the meaning of Section 5056 of the California Corporations Code. Any action for which there is no specific provision in the Nonprofit Public Benefit Corporation Law applicable to a corporation which has no members and which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the board of directors. All rights which would otherwise vest in the members shall vest in the directors.

**Section 2 Nonstatutory Members.** Upon designation of criteria for advisory membership by the board of directors, the corporation may have advisory members who are not members within the meaning of Section 5056 of the California Corporations Code.



## ARTICLE VII

### DIRECTORS

**Section 1 General Powers.** Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the Articles of Incorporation or these Bylaws, the business, activities and affairs of the corporation shall be conducted and managed, and all corporate powers shall be exercised, by or under the direction of the board of directors. The board of directors may delegate the management of the activities of the corporation to any person or persons, to a management company, or to committees pursuant to ARTICLE IX hereof, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the board of directors, and shall at all times be in compliance with the corporation's Articles of Incorporation and these Bylaws.

**Section 2 Specific Powers.** Without prejudice to such general powers, but subject to the same limitations described in Section 1 of this ARTICLE VII, it is hereby expressly declared that the board of directors shall have the following powers in addition to the other powers enumerated in these Bylaws:

(a) To select and remove any and all officers, agents and employees of the corporation; prescribe any powers and duties for them that are consistent with law, the Articles of Incorporation and these Bylaws; and fix their compensation;

(b) To change the principal executive office or the principal business office in the State of California from one location to another, cause the corporation to be qualified to do business in any other State, territory, dependency or country, and conduct business within or outside the State of California;

(c) To conduct, manage, and control the affairs and activities of the corporation and to make such rules and regulations therefor consistent with the law, the Articles of Incorporation and these Bylaws;

(d) To adopt, make and use a corporate seal and to alter the form of such seal from time to time as the directors may deem best;

(e) To 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; and

(f) To make grants and contributions in furtherance of the corporation's purposes and otherwise render financial assistance to any organization organized and operated exclusively for charitable, scientific or education purposes within the meaning of Section 501(c)(3) of the Code; provided, however, that the directors shall:

(i) review all requests for funds from other organizations and require that such requests specify the use to which the funds will be put, and, if the board of directors

approves such request, the board of directors shall authorize payment of such funds to the approved grantee;

(ii) require that the grantees furnish a periodic accounting to show that the funds were expended for the purposes which were approved by the board of directors; and

(iii) retain, to the extent practicable, the ability to withdraw or revoke an approved grant or contribution, if necessary, to insure that such funds will be used in furtherance of the corporation's charitable purposes.

**Section 3 Number of Directors.** The board of directors shall consist of a minimum of three (3) directors until changed by a duly adopted amendment to these Bylaws. The exact number of authorized directors shall be fixed from time to time by the board of directors pursuant to a resolution adopted by a majority of the entire board of directors or by unanimous written consent by all the directors, but no reduction in the authorized number of directors shall have the effect of removing any director before the director's term of office expires.

**Section 4 Qualifications of Directors.** Each Director shall be at least 21 years of age. It is the intent of the corporation that the composition of the board of directors shall represent a diversity of technical skills to enable the board of directors to make informed, well-balanced decisions on the economic viability and social impact of its activities.

**Section 5 Restriction on Interested Directors.** No more than forty-nine percent (49%) of the persons serving on the board of directors at any time may be interested persons. An interested person is defined as: (i) any person being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time officer, employee, independent contractor or otherwise, excluding any reasonable compensation paid to a director as a director; and (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law of any such person described in the preceding clause (i). Reimbursement of expenses of a director incurred on behalf of the corporation and authorized by the board of directors (in advance, if possible), shall not be considered compensation as the term is used in this Section 5. Any violation of the provisions of this Section 5 shall not affect the validity or enforceability of any transaction entered into by the corporation.

**Section 6 Designation of Directors and Term of Office.** Subject to Article VIII, Section 2, the members of the board of directors shall be elected by a majority vote of the board of directors at the annual meeting, with the term of one (1) of the Directors expiring at the conclusion of each annual meeting. Each director shall hold office for a three (3) year term and until a successor director has been designated and qualified. The minutes of each annual meeting shall identify the calendar year in which each director's term of office concludes.

**Section 7 Vacancies.** Any vacancy on the board of directors caused by death, resignation, removal, an increase in the authorized number of directors, or any other cause, shall be filled by election as provided in Section 6 of this ARTICLE VII. Provided the board of directors has a minimum of three current (3) members, the board of directors is not required to fill a vacancy, but in the event they elect not to do so, the board of directors shall amend the Bylaws to reflect the number of Directors currently serving. Each director so elected to fill a vacancy shall continue in



office for the unexpired term of the director whom he or she succeeded and until a successor has been designated and qualified, and shall be a member of the same director class of the individual succeeded.

**Section 8 Removal.** The board of directors may remove and declare vacant the office of a director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by a final order or judgment of any court to have breached a duty of the corporation as provided in the California Nonprofit Corporation Law. In addition, a majority vote of the board of directors may, at a regular or special meeting of the board of directors, remove any director from office with or without cause, and a majority vote of the board of directors may declare vacant the office of a director who misses three (3) consecutive meetings of the board of directors or a total of five (5) meetings of the board of directors during any one calendar year.

**Section 9 Resignations.** Except as provided in this Section and subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, 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, a successor may be designated, selected, or elected (as the case may be) before such time, to take office as of the date when the resignation becomes effective. No director may resign when the corporation would then be left without a duly elected director in charge of its affairs.

**Section 10 Meetings.**

(a) **Place of Meeting.** Meetings of the board of directors shall be held at any place within or without the State of California which has been designated from time to time by the board of directors. In the absence of such designation, regular meetings shall be held at the principal executive office of the corporation. Notwithstanding the above provision of this Section 10, a meeting of the board of directors may be held at any location consented to in writing by all the board or directors members, either before or after the meeting.

(b) **Annual Meeting.** The board of directors shall hold a regular meeting in the fourth calendar quarter of each year, for the purpose of organization, selection of directors and officers, and the transaction of other business. Notice of the annual meeting shall be given in the same manner set forth in subsection (d).

(c) **Regular Meetings.** The board of directors shall hold additional regular meetings for the purpose of organization, selection of directors and officers, and the transaction of other business, on such date and at such time as the president shall determine in consultation with the board of directors.

(d) **Special Meetings.** Special meetings of the board of directors for any purpose or purposes may be called at any time by the president, or any two (2) directors. Special meetings of the board of directors shall be convened within ten (10) days' notice given personally or by telephone, telegraph, facsimile, telex, electronic mail ("email") or other similar means of communication, to all directors. The notice must clearly specify the business desired to be considered or transacted at such special meeting. Any such notice shall be addressed or delivered

to each director at such director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held. Written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is actually transmitted to the recipient in accordance with the provisions of these Bylaws. 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 receiver.

**Section 11 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 (i) a quorum is present, and (ii) 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 of 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 12 Quorum.** A majority of the authorized number of director shall constitute a quorum, which shall be required for the transaction of any business at any meeting of the board of directors, except to adjourn as provided in Section 13 of this ARTICLE VII. 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 or the Articles of Incorporation. 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 disinterested majority of the required quorum for such meeting or such greater number as required by the Articles of Incorporation or the California Nonprofit Corporation Law. Adoption or revocation of a plan of merger, consolidation, voluntary dissolution, bankruptcy or reorganization or for the sale, lease or exchange of all or substantially all of the property and assets of the corporation, otherwise than in the usual and regular course of its business, shall require the unanimous vote of the directors of the corporation.

**Section 13 Adjournment.** A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time or place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to time of the adjourned meeting to the directors who were not present at the time of the adjournment in the manner proved in Section 10(d). Such notice may be waived in the manner provided for in Section 11.

**Section 14 Proxies.** Proxies are prohibited at any regular or special meeting of the board of directors for any director entitled to vote who is not present.



**Section 15 Action Without Meeting by Written Consent.** 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 an unanimous vote of the board of directors. Such written consent or consents shall be filed with the minutes of the proceedings of the board of directors. For purposes of this Section 15, "a unanimous vote" shall not include "interested directors" as that term is defined in section 5233 of the California Corporations Code.

**Section 16 Participation in Meeting by Conference Telephone.** Members of the board of directors may participate in a meeting through the use of conference telephone or similar communications equipment, so long as all directors participating in such meeting can hear one another.

**Section 17 Reimbursements and Compensation of Directors.** Directors and members of committees may receive such reimbursement of expenses as may be determined by the board of directors to be just and reasonable and in compliance with applicable tax law for a corporation qualifying under Section 501(c)(3) of the Code, and Section 23701(d) of the California Revenue and Taxation Code, as amended. Directors and members of committees may receive such reasonable compensation, if any, for their services as may be fixed or determined by resolution of the board of directors.

**Section 18 Rights of Inspection.** Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind pertaining to the corporation.

## ARTICLE VIII

### OFFICERS

**Section 1 Election and Tenure.** The corporation must have a president, a secretary and a treasurer. The corporation may also have, at the discretion of the board of directors, such other officers with such titles and duties as may be prescribed from time to time by the board of directors or the Bylaws. The officers of the corporation, except such officers as may be elected or appointed in accordance with the provisions of Section 4 or Section 5 of this ARTICLE VIII, shall be chosen annually by, and shall serve at the pleasure of, the board of directors, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected. Any number of offices may be held by the same person, except as provided in the Articles of Incorporation or in these Bylaws and except that neither the secretary nor the treasurer may serve concurrently as the president or chairman of the board of directors.

**Section 2 Specific Inclusion of James Farley.** Notwithstanding anything herein to the contrary, James Farley shall serve on the board of directors for life (so long as he is competent and willing, as provided by the founders of this corporation in the Lee and Toni Leichtag Family Trust), and shall serve as president of the corporation, for such period of time as provided in any employment agreement entered into with this corporation. James Farley may only be removed as an officer of the corporation: (a) pursuant to the terms of any employment agreement between

James Farley and the corporation; or (b) for “cause.” “Cause” as used herein shall mean (i) a felony conviction proved by a nonappealable court order or a felony charge that results in a plea of *nolo contendere*, (ii) a nonappealable finding by the California Attorney General that he has engaged in intentional misconduct with respect to this corporation, (iii) his act or omission that directly results in the loss of this corporation’s tax exempt status with no cure opportunity, (iv) his incapacity as determined by two independent examining physicians, or (v) as otherwise provided in any employment agreement entered into with this corporation.

**Section 3 Removal and Resignations.** Subject to the rights, if any, of any officer under any written contract of employment, any officer may be removed, either with or without cause, by a majority vote of the board of directors at any time. Any officer may resign at any time by giving written notice to the corporation, but without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**Section 4 Duties and Powers of Officers.**

(a) **Chairman of the Board of Directors.** The board of directors may elect a chairman of the board of directors, who shall exercise and perform such powers and duties as may be assigned from time to time by the board of directors.

(b) **Vice Chairman of the Board of Directors.** The board of directors may elect a vice-chairman of the board of directors, who shall perform the duties as may be assigned from time to time by the board of directors.

(c) **President.** The board of directors shall select and appoint a president who shall function as the chief executive officer of the corporation. Except to the extent that the Bylaws or the board of directors assign specific powers and duties to other members of the board of directors, the president shall be the corporation’s general manager and chief executive officer and, subject to the control of the board of directors, shall have general supervision, direction, and control over the corporation’s business and its officers. The managerial powers and duties of the president shall include, but are not limited to, all the general powers and duties of management usually vested in the office of president of a corporation, including the power to employ, fix salaries for (except his or her own salary) and remove all employees subordinate to the president (other than officers elected by the board of directors) in accordance with the personnel policies adopted by the board or directors. The president shall be a member of the staff of the corporation and shall be a voting member of the board of directors and all committees except the Audit Committee and the Compensation Committee. It shall be his or her duty to approve the expenditure of the monies appropriated by the board of directors in accordance with the budget approved by the board or directors. The president shall make an annual report and periodic reports to the board of directors concerning the programs of the corporation. All agents and employees shall report and be responsible to the president. With the exception of the directors, the president shall have supervision and control over all services performed for or on behalf of the corporation and all such service providers shall serve at the pleasure of the president. The president shall have



such other powers and duties as prescribed by the board of directors or the Bylaws. The president shall preside at meetings of the board of directors.

(d) **Vice-President.** The board of directors may elect one or more vice-presidents to perform some or all of the duties of the president as delegated by the president or in the president's absence. The vice-presidents shall assist the president in the performance of his or her duties. One such Vice-President shall be known as the "Executive Vice President". In the event of the sudden inability of the President to perform his duties, the Executive Vice President shall assume his office and all duties described in Section 4c above until a successor is chosen by the board of directors. The Executive Vice President need not be a member of the board of directors.

(e) **Secretary.** The board of directors shall elect and appoint a secretary who 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 the minutes of all meetings and actions of the board of directors and of committees of the directors, with the time and place of holding meetings, 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 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 or she shall provide for notification of the directors of the corporation of their meetings in accordance with these Bylaws, shall be the custodian of the corporate records and deal, shall furnish certifications of board or director actions, Bylaws, and organizational documents, and shall have such other powers and perform such other duties as may be prescribed from time to time by the board of directors, the Bylaws or the president.

(iii) **In Secretary's Absence.** In the absence of the secretary, the president shall appoint a person to act as secretary of a particular meeting.

(f) **Treasurer.** The board or directors shall elect and appoint a treasurer who shall serve as chief financial officer and shall attend to the following:

(i) **Books of Account.** The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the funds, finances 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 times. At the end of his or her term, the treasurer shall deliver to his or her successor all books, monies, and other property of the corporation that is in his or her possession.

(ii) **Deposit and Disbursement of Money and Valuables.** The treasurer shall deposit, or direct the depositing of, 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, and shall disburse, or arrange for the disbursement of, the funds of the corporation as

may be ordered by the board of directors, and shall, whenever requested by the president or directors, prepare, or arrange for the preparation of, an account of all of his transactions as treasurer and of the financial condition of the corporation and shall have other powers and perform such other duties as may be prescribed from time to time by the board of directors, the Bylaws or the president.

(iii) **Bond.** The board may require the treasurer to give such security as it may direct for the faithful performance of his or her duties.

**Section 5 Subordinate Officers.** The board of directors may appoint, or may empower the president or another officer to appoint such other officers, including Assistant Secretaries, as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the board of directors may from time to time determine.

**Section 6 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 election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

## ARTICLE IX

### COMMITTEES

**Section 1 Committees of Directors Empowered with Authority of the Board of Directors.** Subject to the provisions of Section 3 of this Article IX, the board of directors may, by resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting of two or more directors, to serve at the pleasure of the board of directors.

**Section 2 Meetings and Action of Committees.** Meetings and action of committees shall be governed by, 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 provisions as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the board of directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the board of directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The board of directors may adopt rules for the governance of any committee not inconsistent with the provisions of these Bylaws.

**Section 3 The Executive Committee.** The Executive Committee, to the extent convened from time to time by the board of directors, shall have the following members, organization and authority:



(a) **Members.** The Executive Committee shall consist of the following members: the president, and two members of the board of directors selected by a majority of the board of directors.

(b) **Chairman.** The president shall serve as the chairman of the Executive Committee.

(c) **Terms.** The members of the Executive Committee shall be appointed for a one (1) year term, except for the ex-officio member (the president) who shall serve so long as he or she holds that position.

(d) **Authority.** The board of directors hereby delegates to the Executive Committee all of the powers and authority of the board of directors to manage the day-to-day business and affairs of the corporation, except for those powers which cannot be delegated pursuant to Section 5212(a) of the California Nonprofit Corporation Law. Notwithstanding the foregoing, the Executive Committee (i) shall not have authority to sell all or substantially all of the assets of the corporation or make significant changes in the nature of the business of the corporation, (ii) shall not fill vacancies on the board of directors or in any committee which has the authority of the board of directors, (iii) shall not amend or repeal Bylaws or adopt new Bylaws, (iv) shall not amend or repeal any resolution of the board of directors which by its express terms is not so amendable or repealable, (v) shall not appoint any other committees of the board of directors or the members of these committees, (vi) shall not approve any self-dealing transaction, as such transactions are defined in Section 5233(a) of the California Nonprofit Public Benefit Corporation Law, nor (a) approve any transaction to which the corporation is a party and one or more directors have a material financial interest, or (b) between the corporation and one or more of its directors or between the corporation and any entity in which one or more of its directors have a material financial interest.

(e) **Automatic Review of Executive Committees Actions by the Board.** The Executive Committee is established for the purpose of facilitating the ability of the Foundation to respond to business needs on short notice; the Executive Committee is not established for the purpose of minimizing the role of every director in overseeing the exercise of all corporate powers of the Foundation. To this end, every director shall (i) be sent notice of every meeting of the Executive Committee, (ii) be sent a copy of the minutes of every meeting of the Executive Committee, and (iii) have the right to attend and speak at every meeting of the Executive Committee (but a director who is not a member of the Executive Committee shall neither count toward a quorum of the Executive Committee nor vote at an Executive Committee meeting). Every formal action taken by the Executive Committee (e.g., adoption of a resolution) shall be presented to the board of directors for ratification at the next-succeeding meeting of the board of directors. To the extent consistent with good business practices under the circumstances then prevailing, the Executive Committee shall consider taking each formal action in a manner that permits meaningful rescission of the Executive Committee's formal action at the next-succeeding meeting of the board of directors.

**Section 4 Standing and Special Committees.** The president or the board of directors may appoint such standing and special committees as the president or the board of directors may designate. The members of such committees need not be directors, and neither such committees

nor their members shall have any authority or powers of the board of directors, except as set forth below. Standing and Special committees shall act strictly in an advisory capacity to the president and the board of directors in furtherance of the corporation's charitable and public purposes.

**Section 5      Audit Committee.** The board or directors shall designate, at or within a reasonable time after the annual meeting of the board of directors, an Audit Committee (within the meaning of Cal. Govt. Code Section 12586(e)(2)), which, subject to the supervision of the board of directors, shall have the following responsibilities:

(a)      **Composition of Audit Committee.** The Audit Committee shall have at least one or more members, and may include persons who are not members of the board of directors, but the member or members of the audit committee shall not include any members of the staff of the corporation (whether paid staff or volunteer staff), including the president or treasurer. If the corporation has a finance committee, it shall be separate from the Audit Committee. Members of the finance committee may serve on the Audit Committee; however, the chairperson of the Audit Committee may not be a member of the finance committee and members of the finance committee shall constitute less than one-half of the membership of the Audit Committee. Members of the Audit Committee shall not receive any compensation from the corporation in excess of the compensation, if any, received by members of the board of directors for service on the board of directors and shall not have a material financial interest in any entity doing business with the corporation.

(b)      **Recommend Independent Auditor.** The Audit Committee shall recommend the firm to be employed as the corporation's independent auditor, and shall review and approve the discharge of any such firm. The Audit Committee shall also review and approve the independent auditor's compensation, the terms of its engagement by the corporation and the independence of such auditor.

(c)      **Review Independent Audit.** The Audit Committee shall review, in consultation with the independent auditor, the results of each independent audit of the corporation, the report of the auditor, any related management letter, and management's responses to recommendations made by the independent auditor in connection with the audit.

(i)      **Review Annual Financial Statements.** The Audit Committee, in consultation with the independent auditor and management, shall review the corporation's annual financial statements, any report or opinion rendered by the independent auditor in connection with those financial statements, and any dispute between management and the independent auditor that arises in connection with the preparation of those financial statements. The Audit Committee shall review and report to the board of directors with respect to the financial portions of the corporation's annual report.

(ii)      **Review Financial Statements.** The Audit Committee shall review before or after publication, the corporation's financial statements.

(iii)      **Plan External Audits.** The Audit Committee shall consider, in consultation with the independent auditor, the scope and plan of forthcoming external audits.



(iv) **Evaluate Internal Accounting Controls.** The Audit Committee shall consider, in consultation with the independent auditor and chief internal auditor, if any, the adequacy of the corporation's internal accounting controls.

(v) **Evaluate Accounting Principles and Practices.** The Audit Committee shall consider, when presented by the independent audit or otherwise, material questions of choice with respect to the choice of appropriate accounting principles and practices to be used in the preparation of the corporation's financial statements.

(vi) **Compliance With Conflict of Interest and Code of Ethics.** The Audit Committee shall review the expense accounts and perquisites of officers and senior staff and the corporation's compliance with its conflict of interest policy and code of ethical conduct, except as such function may be delegated by the board of directors to another committee.

(vii) **Consider Other Financial Matters.** The Audit Committee shall have the power to inquire into any financial matters in addition to those set forth in this subsection 5(c).

(viii) **Perform Other Assignments.** The Audit Committee shall perform such other functions as may be prescribed from time to time by the board of directors, the Bylaws or the president.

**Section 7. Nominating Committee.** The president shall annually recommend, and the board of directors shall annually appoint, a Nominating Committee. The Nominating Committee shall be comprised of the president and two directors who are not eligible for election to the board at the next annual meeting.

The Nominating Committee shall annually:

1. Establish (or affirm existing) standards as to criteria for director selection.
2. Establish (or affirm existing) criteria for performance of directors.
3. Conduct board and director performance evaluations annually using criteria that do not vary greatly from year-to-year, but which criteria are periodically updated to reflect best practices of like charitable foundations.
4. Deliver the aggregated results of such performance evaluations to the board of directors.
5. Deliver the individual director results to each director privately.
6. Recommend to the board, prior to each annual meeting of the board and at such other times as there are vacancies within the meaning of Article VII, Section 7, candidates for election or re-election to the board. Such recommendation such take into consideration Article VII, Sections 4 and 6. In making such annual recommendation, the Nominating Committee shall recommend no director to a third 3-year term without a six month (or longer) break in board service, provided however, that this limitation shall not apply to directors who are serving as such on March 31, 2011. The

Nominating Committee shall have determined prior to recommendation that any candidate recommended is willing to serve, if elected.

**Section 8. Investment Committee.** The board of directors shall appoint, at the annual meeting of the board of directors, an Investment Committee. The president shall be a member of, and shall chair, the Investment Committee. Non-directors may be appointed as members of the Investment Committee. All non-director members of the Investment Committee may be removed from membership on such committee at any time by the president in his capacity as chair of the Investment Committee. The Investment Committee shall be responsible for:

1. The formation of an investment policy (and related procedures) taking into account the Foundation's charitable purposes, anticipated need for cash and the anticipated life of the Foundation, and presenting such proposed investment policy to the board of directors. Except for cash balances established (and replenished from time-to-time from the Foundation's investment portfolio) to provide for near-term distribution needs of the Foundation, all Foundation financial assets shall be considered the Foundation's investment portfolio and subject to the investment policy;
2. Upon board approval of such investment policy, the implementation thereof, including the selection and engagement of fund managers;
3. Monitoring the performance of the Foundation's investment portfolio, directing reallocation of assets, and replacing fund managers, each as determined appropriate by the Investment Committee; and
4. Periodic reporting to the board on the decisions and action of the Investment Committee.

The Investment Committee is expressly authorized to retain at the expense of the Foundation such professional advisor or advisors as the Investment Committee determines are appropriate. Each such advisor shall agree to conform to the Code of Ethics and the Conflict of Interest policies of the Foundation as a condition of such engagement.

**Section 9. Compensation Committee.** The board or directors shall appoint, at the annual meeting of the board of directors, a Compensation Committee. The Committee shall be responsible for developing recommendations for the salary and benefits of the President and Chief Executive Officer and ensuring that compensation levels are fair and reasonable. The Compensation Committee shall not be authorized to approve the compensation of the President and CEO but may only make recommendations to the board of directors. The President and CEO of the Foundation shall not serve on the Compensation Committee.

## ARTICLE X

### INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

**Section 1 Definitions.** For the purposes of this ARTICLE X:



(a) **“Agent”** means any person who is or was a director, officer, employee or other agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee or agent of a foreign or domestic corporation that was a predecessor corporation of this corporation or of another enterprise at the request of the predecessor corporation;

(b) **“Proceeding”** means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and

(c) **“Expenses”** includes, without limitation, all attorneys’ fees, costs and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of his position or relationship as agent and all attorneys’ fees, costs and other expenses incurred in establishing a right to indemnification under this ARTICLE X.

**Section 2 Successful Defense by Agent.** To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this ARTICLE X, or in the defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Sections 3 through 5 of this ARTICLE X shall determine whether the agent is entitled to indemnification.

**Section 3 Actions Brought by Persons Other than the Corporation.** Subject to the required findings to be made pursuant to Section 5 below, this corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, this corporation, or by an officer, director or person granted related status by the Attorney General, or by the Attorney General on the ground that the defendant director was or is engaging in self-dealing within the meaning of California Corporations Code Section 5233, or by the Attorney General or a person granted related status by the Attorney General for any breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of this corporation, for all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

**Section 4 Actions Brought by or on Behalf of the Corporation or by the Attorney General of the State of California.**

(a) **Claims Settled Out of Court.** If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this corporation, or by the Attorney General of the State of California, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding, unless it is settled with the approval of the Attorney General.

(b) **Claims and Suits Awarded Against Agent.** The corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action brought by or on behalf of this corporation by reason of the fact that

the person is or was an agent of this corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 5 below, must be made in the manner provided for in that Section; and

(ii) Upon application, the court in which the action was brought must determine that, in view of all the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

**Section 5 Determination of Agent's Good Faith Conduct.** The indemnification granted to an agent in Sections 3 and 4 above, is conditioned on the following:

(a) **Required Standard of Conduct for Actions Brought by Persons Other than the Corporation.** For actions brought by persons other than the corporation, the agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith and in a manner he reasonably believed to be in the best interests of the corporation and, in the case of a criminal proceeding, to have had no reasonable cause to believe his conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or on a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in the best interest of this corporation or that he had reasonable cause to believe that his conduct was unlawful.

(b) **Required Standard of Conduct for Actions Brought by or on Behalf of the Corporation or by the Attorney General of the State of California.** For actions brought by or on behalf of the corporation or by the Attorney General of the State of California, the agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he believed to be in the best interest of this corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his conduct was unlawful.

(c) **Manner of Determination of Good Faith Conduct.** The determination that the agent did act in a manner complying with subsection (a) or (b) above, whichever is applicable, shall be made by:

(i) The board of directors, by a majority vote of a quorum consisting of directors who are not parties to the proceeding; or

(ii) The court in which the proceeding is or was pending. Such determination may be made on application brought by this corporation or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney or other person is opposed by this corporation.

**Section 6 Limitation on Certain Forms of Indemnification.** No indemnification or advance shall be made under this ARTICLE X, except as provided in Section 2 or Section 5(c)(ii) as it applies to Section 3 above, in any circumstance when it appears:



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

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

**Section 7 Advance of Expenses.** Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized under this ARTICLE X.

**Section 8 Contractual Rights of Non-directors and Non-officers.** Nothing contained in this ARTICLE X 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 9 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 other than for violating provisions against self-dealing 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 such liability under the provisions of this ARTICLE X; provided, however, that a corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of Section 5233 of the California Nonprofit Public Benefit Corporation Law.

## ARTICLE XI

### RECORDS AND REPORTS

**Section 1 Maintenance of Corporate Records.** The corporation shall keep:

(a) Adequate and correct books and records of account;

(b) Minutes in written or typed form of the proceedings of its board of directors and committees of the board of directors. All such records shall be kept at the corporation's principal executive office.

(c) The accounting shall be kept either in written or typed form, or in any other form capable of being converted into written, typed or printed form.

(d) Upon leaving office, each officer, employee or agent of the corporation shall turn over to his or her successor or the president, in good order, such corporate monies, books, records, minutes, lists, documents, contract or other property of the corporation as have been in the custody of such officer, employee or agent during his or her term of office.

**Section 2 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 subsidiaries, if any. 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 3 Annual Report to Directors.** The board of directors shall cause an annual report to be sent to all directors of this corporation no later than one hundred twenty (120) days after the close of the corporation's fiscal year. Such report shall contain the following information in reasonable detail:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year;
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year; and
- (e) Any information required by Section 4 of this ARTICLE XI.

The report shall be accompanied by any pertinent report of independent accountants, or if none, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

**Section 4 Annual Statement of Certain Transactions and Indemnifications.** No later than the time the corporation gives its annual report to the directors, and in any event no later than one hundred twenty (120) days after the close of the corporation's fiscal year, the corporation shall furnish to its directors a statement of the amount and circumstances of any transaction or indemnification of the following kind:

- (a) Any transactions during the fiscal year in which the corporation or its subsidiary was a party, and in which any director or officer of the corporation or its subsidiaries had a direct or indirect financial interest (a mere common directorship shall not be considered such an interest and contributions by a director or officer to the corporation for its charitable purposes shall not be considered such an interest), if such transaction involved more than \$50,000, or was one of a number of transactions with the same person which in the aggregate involved more than \$50,000; and
- (b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any director or officer of the corporation pursuant to ARTICLE X hereof, unless such indemnification has already been approved by the board of directors.



## ARTICLE XII

### CONTRACTS AND LOANS WITH DIRECTORS AND OFFICERS

**Section 1 Contracts or Transactions with Directors and Officers.** The corporation shall not be a party to any contract or transaction (a) in which one or more of its directors or officers has a material financial interest, (b) with any corporation, firm, association or other entity in which one or more of its directors or officers has a material financial interest, or (c) with any corporation, firm, association, or other entity (other than a California nonprofit public benefit corporation) in which one or more of its directors is a director, unless the procedures of the corporation's Ethics Policy and Conflicts of Interests Policy have been complied with and the minutes of the board of director's meeting indicates such compliance and includes any related documents required as part of such compliance.

**Section 2 Loans to Directors and Officers.** The corporation shall not make any loan of money or property or act as guarantor of the obligations of any director or officer unless approved by the Attorney General of the State of California; provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such director or officer, provided that in the absence of such advance, such director or officer would be entitled to be reimbursed for such expenses by the corporation. Directors of the corporation who approve the making of any such loan or guaranty shall be jointly and severally liable to the corporation for any loss suffered by the corporation as a result of such loan or guaranty.

**Section 3 Mutual Directors.** The board of directors shall comply with the corporation's Ethics Policy and Conflict of Interest Policy in connection with the consideration and approval of any contract or other transaction between the corporation and any other entity which has one or more directors or trustees in common with the corporation, taking into account the provisions of California Corporations Code section 5234 (relating to transactions between corporations having mutual directors). The secretary shall indicate such compliance in the minutes of the board of director's meeting and include any related documents required as part of such compliance. In the absence of such compliance, the contract or other transaction shall not be void or voidable if the contract or transaction is just and reasonable as to the corporation at the time it is authorized, approved or ratified.

## ARTICLE XIII

### OTHER PROVISIONS

**Section 1 Endorsement of Documents; Contracts.** Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the corporation and any other person, when signed by the chairman of the board of directors, the president, or any vice president and the secretary, any assistant secretary, the treasurer, or any assistant treasurer of the corporation shall be valid and binding on the corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such

manner as from time to time shall be determined by the board of directors, and, unless so authorized by the board of directors, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

**Section 2 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 a corporation and a natural person.

## **ARTICLE XIV**

### **AMENDMENTS**

The board of directors may by majority vote amend the Articles of Incorporation of this corporation and these Bylaws to include or omit any provision that could lawfully be included or omitted at the time such amendment or restatement is adopted; provided, however, that any amendment to Sections 3, 5, 6 or 12 of ARTICLE VII, and Section 2 of ARTICLE VIII, shall require the unanimous vote of the directors. Subject to the preceding sentence, any number of amendments, or an entire revision or restatement of the Articles of Incorporation or Bylaws, either (i) may be submitted and voted upon at a single meeting of the board of directors and be adopted at such meeting, a quorum being present, upon receiving the affirmative vote of not less than three-quarters (75%) of the total number of authorized directors of this corporation, or (ii) may be adopted, in accordance with Section 15 of ARTICLE VII hereof, by a writing signed by all of the directors of this corporation.

**[CERTIFICATE OF ADOPTION FOLLOWS ON PAGE 22]**

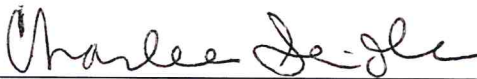


**CERTIFICATE OF ADOPTION**  
**OF THE AMENDED AND RESTATED BYLAWS OF**  
**THE LEICHTAG FOUNDATION**  
**A California Nonprofit Public Benefit Corporation**

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I, the undersigned, do hereby certify that:

- (1) I am the duly elected and acting secretary of The Leichtag Foundation, a California nonprofit public benefit corporation; and
- (2) The foregoing Bylaws, consisting of twenty-two (22) pages containing fourteen (14) Articles, constitute the Amended and Restated Bylaws of this corporation as duly adopted by the board of directors as of September 8, 2016.

  
\_\_\_\_\_  
Charlene Seidle, Secretary