AMENDED AND RESTATED BYLAWS OF
DOWNTOWN CHICO BUSINESS ASSOCIATION
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

PREAMBLE

Downtown Chico Business Association, a California 501(c)4 public benefit nonprofit corporation, previously adopted bylaws on November 10, 2016. On February 6, 2025, these AMENDED AND RESTATED BYLAWS OF DOWNTOWN CHICO BUSINESS ASSOCIATION are adopted, and the November 10, 2016 Bylaws are revoked.

ARTICLE I
PRINCIPAL OFFICE

The name of this corporation is DOWNTOWN CHICO BUSINESS ASSOCIATION. The principal office for the transaction of the activities and affairs of this corporation is located at 338 Broadway, Chico, in Butte County, California. The mailing address for the corporation is P.O. Box 3098, Chico, California, 95927. The board of directors may later approve a new location of the principal office and this Section may be amended to state the new location.

ARTICLE II
OBJECTIVES AND PURPOSES

This Corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the purposes stated in Article III of the Articles of Incorporation.

ARTICLE III
DEDICATION OF ASSETS

This corporation's assets are irrevocably dedicated to public benefit purposes. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or officer of the corporation. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed to a nonprofit fund, foundation, or corporation that is organized and operated exclusively for charitable purposes and that has established its exempt status under Internal Revenue Code §501(c)(4).

ARTICLE IV
MEMBERS

Section 4.1. <u>ELIGIBILITY FOR MEMBERSHIP</u>

The members of this corporation shall consist of those identified in Article IV of the Articles of Incorporation.

Section 4.2. CLASSIFICATION OF VOTING MEMBERS

This corporation shall have one class of voting members in good standing, who are current in the payment of any annual benefit assessment due the City of Chico under city of Chico Municipal Code Chapter 3.34.060 and any adopted ordinance or resolution related thereto. Each member has equal voting and other rights. No person or organization may hold more than one membership in the Corporation.

Section 4.3. CLASSIFICATION OF NONVOTING MEMBERS

The Corporation's board of directors may, in its discretion, admit a business or an individual to one or more classes of nonvoting members, but no such person or entity shall be a member within the meaning of Corporations Code §5056. The nonvoting class or classes shall have such rights and obligations as the board finds appropriate.

Section 4.4. APPOINTMENT OF INDIVIDUAL REPRESENTATIVES

Each Member business may appoint an individual who shall be its authorized representative ("Member Representative"). The individual must either be an owner or manager of the Member business. The Member Representative shall have the sole authority to vote on the Member's behalf and to take any other action required or permitted to be taken by such Member pursuant to these Bylaws. The Member shall notify the President, in writing, of the identity of its Member Representative. The Member may change its designated Member Representative at any time, provided that prior written notice is given to the President of such change.

Section 4.5. NONLIABILITY OF MEMBERS

A member of the Corporation is not personally liable, solely because of membership, for the debts, obligations, or liabilities of the Corporation.

Section 4.6. MEETINGS OF MEMBERS.

(a) A general meeting of members shall be held at least biennially on the third Thursday in February of each even year. Unless elected by written ballot, directors shall be elected at this meeting.

(b) Meetings of the members shall be held at any place within or outside California designated by the board or by the written consent of all members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, members' meetings shall be held at the corporation's principal office. The board may authorize members who are not present in person to participate by electronic transmission or electronic video communication.

Section 4.7. SPECIAL MEETINGS OF MEMBERS

(a) The board or the president, or 5 percent or more of the members, may call a special meeting of the members for any lawful purpose at any time.

(b) A special meeting called by any person entitled to call a meeting of the members shall be called by written request, specifying the general nature of the business proposed to be transacted, and addressed to the attention of and submitted to the president or any vice president or the secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, stating that a meeting will be held at a specified time and date fixed by the board.

(c) However, the meeting date shall be at least 35 but no more than 90 days after receipt of the request.

(d) If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held when the meeting is called by the board.

(e) No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 4.8. VOTING OF MEMBERSHIP—ONE VOTE PER MEMBER

Only members shall be entitled to vote at the biennial or special meetings; the record date of membership is the day before notice of the meeting is mailed. Organizations shall be entitled to only one vote.

Section 4.9. CONDUCT OF MEETINGS—CHAIR

(a) The president, or designee, will be Chair of and preside over the meetings of the members, except that election of officers and directors shall be by secret written ballot if so requested by any member before voting begins. Written proxies may be used to establish the presence of a quorum but may not be used to vote. In order to elect any individual or act on any other matter of business, the affirmative vote of a majority of the members present at the meeting shall be required.

(b) Any topic may be brought up for discussion at a general meeting by any member in attendance, but voting shall be limited to matters identified in the meeting notice.

(c) The Robert's Rules of Order, as amended from time to time, governs the meetings of members insofar as those rules are not inconsistent with or in conflict with these Bylaws, the Articles of Incorporation of this Corporation, or the rules governing agenda, motions, and related matters.

[*Continued on following page.*]

Section 4.10. <u>GENERAL NOTICE REQUIREMENTS</u>

Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given to each member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting, and the means of electronic transmission by and to the corporation, electronic video screen communication, conference telephone, or other means of remote communication, if any, by which members may participate in the meeting. For the biennial meeting, the notice shall state the matters that the board, at the time notice is given, intends to present for action by the members. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.

Section 4.11. <u>NOTICE OF CERTAIN AGENDA ITEMS</u>

Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

(1) Removing a director without cause;

(2) Filling vacancies on the board;

(3) Amending the articles of incorporation; or

(4) Electing to wind up and dissolve the corporation.

Section 4.12. <u>MANNER OF GIVING NOTICE</u>

Notice of any meeting of members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date. The notice shall be given either personally, by electronic transmission by the corporation, or by first-class, registered, or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each member entitled to vote, at the address of that member as it appears on the books of the corporation or at the address given by the member to the corporation for purposes of notice. If no address appears on the corporation's books and no address has been so given, notice shall be deemed to have been given if either (1) notice is sent to that member by first-class mail or electronic or other written communication to the corporation's principal office or (2) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

Section 4.13. <u>QUORUM</u>

Twenty five (25%) percent of the voting power shall constitute a quorum for the transaction of business at any meeting of members.

(a) If, however, the attendance at any general or biennial meeting, whether in person or by proxy, is less than one-third of the voting power, the members may vote only on matters as to which notice of their general nature was given.

(b) Except as otherwise required by law, the articles, or these bylaws, the members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough members have withdrawn 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 4.14. VOTING

(a) Subject to the California Nonprofit Public Benefit Corporation Law, members in good standing on the record date as determined under Sections 4.2 of these bylaws shall be entitled to vote at any meeting of members.

(b) Voting may be by voice or by ballot, except that any election of directors must be by ballot if demanded before the voting begins by any member at the meeting.

(c) If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the members unless the vote of a greater number, or voting by classes, is required by the California Nonprofit Public Benefit Corporation Law or by the articles of incorporation.

(d) The transactions of any meeting of members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after standard call and notice, if (1) a quorum is present either in person or by proxy, and (2) either before or after the meeting, each member entitled to vote, not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice, consent, or approval need not specify either the business to be transacted or the purpose of the meeting if the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

(e) A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

(f) Approval by written ballot shall be valid only when (1) the number of votes cast by ballot (including ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

Section 4.15. PROXIES

No member shall be entitled to vote by proxy.

ARTICLE V
DIRECTORS

Section 5.1. POWERS

(a) *General Powers.* The business and affairs of the Corporation shall be managed, and all corporate powers shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.

(b) *Specific Powers of the Board.* Without prejudice to their general powers, the board shall have the power to do the following:

(i) Appoint and remove, at the pleasure of the board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and require from them security for faithful service.

(ii) Change the principal office or the principal business office in Chico, California from one location to another and designate a place in or outside California for holding any meeting of members.

(iii) Create ad hoc committees that may include people who are not members of the Board of Directors.

(iv) Borrow money and incur indebtedness on the corporation's behalf 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.

(v) Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

Section 5.2. NUMBER OF DIRECTORS

The board of directors shall consist of at least 15 but no more than 21 directors unless changed by amendment to these bylaws. The exact number of directors shall be fixed, within those limits, by a resolution adopted by the board of directors.

The board of directors shall consist of at least nine (9) current members in good standing and six (6) non-affiliated individuals.

Section 5.3. APPOINTMENT AND TERM OF OFFICE OF DIRECTORS

(a) The members of the Board of Directors shall be those persons whose names are attached to these Bylaws as **"EXHIBIT A"**.

These members of the Board of Directors shall each serve until the later of the date of Biennial Meeting designated beside his or her name in **EXHIBIT A**, or the date his or her successor is elected. Subsequent Directors shall be elected by a majority vote of the Directors at each biennial meeting, including the vote(s) of any Director whose term of office expires with that meeting. The term of office of each director shall be four years. No director shall serve more than two consecutive four-year terms without at least one year break in service following his or her second consecutive term.

Section 5.4. <u>VACANCIES</u>

(a) A vacancy on the Board of Directors shall be deemed to exist at the occurrence of any of the following:

(i) The death, resignation, or removal of any Director.

(ii) The declaration by resolution by the Board of Directors of a vacancy in the offices of a Director who has been declared of unsound mind by court order or convicted of a felony, or who has been found by final order or judgment of any court to have breached a duty under Corporation Code §5231 and following of the California Nonprofit Corporation Law.

(iii) The increase of the authorized number of Directors.

(b) Except as provided in this paragraph, any Director may resign, which resignation shall be effective upon receipt of written notice by the President, or the Vice President, unless the notice specifies a latter effective date for the resignation. The President, or Vice President, presents the letter to the Board. No Director may resign when the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.

(c) Any Director may be removed without cause by majority vote at a general meeting of the membership. Any director who does not attend three successive board meetings will automatically be removed from the board without board resolution unless:

(i) The director requests a leave of absence for a limited period of time, and the leave is approved by the directors at a regular or special meeting. If such leave is granted, the number of board members will be reduced by one in determining whether a quorum is or is not present; or

(ii) The director suffers from an illness or disability, which prevents them from attending meetings and the board by resolution waives the automatic removal procedure of this subsection

Section 5.5. <u>VACANCIES FILLED BY THE BOARD</u>

Except for a vacancy created by the removal of a director by the members, vacancies on the board may be filled by approval of the board or, if the number of directors then in office is less than a quorum, by (1) the unanimous written consent of the directors then in office, (2) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code § 5211, or (3) a sole remaining director. The members may fill any vacancy not filled by the directors.

Section 5.6. VACANCIES FILLED BY MEMBERS

The members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors.

Section 5.7. PLACE OF MEETING; MEETING BY TELEPHONE

Regular meetings of the Board of Directors may be held at any place within or outside the State of California, as designated from time to time by resolution of the Board. Special meetings of the Board shall be held at any place within or outside of the State of California, as designated in the notice of meeting.

Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or similar communications equipment, so long as all of the following apply: (a) each board member participating in the meeting can communicate with all the other members concurrently; (b) each member is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation; and (c) the Corporation adopts and implements means of verifying both of the following: (i) a person communicating by telephone, electronic video equipment, or other communications equipment is a Director entitled to participate in the board meeting; and (ii) all statements, questions, actions, or votes were made by that Director and not by another person not permitted to participate as a director. Participation in a meeting pursuant to this bylaw shall constitute presence in person at such meeting.

Section 5.8. MEETINGS

Regular meetings of the Board of Directors shall be held monthly at a time fixed at least annually by resolution of the Board. One, but not two successive regular meetings may be cancelled if there is insufficient business before the Board. Special Board meetings may be called by the president or one-third of the current membership of the Board. Meetings of the Board shall be open to members of the organization and the public at large.

Section 5.9. BIENNUAL MEETING OF THE BOARD

(a) Immediately after each biennial meeting of members, the board shall hold a general meeting for purposes of organization, election of officers, and transaction of other business. Notice of this meeting is not required.

(b) Other general meetings of the board may be held without notice at such time and place as the board may fix from time to time.

[*Continued on following page.*]

Section 5.10. SPECIAL MEETINGS

Special meetings of the board for any purpose may be called at any time by the president or any vice president, the secretary, or any two directors.

(a) Notice of the time and place of special meetings shall be given to each director by (1) personal delivery of written notice; (2) first-class mail, postage prepaid; (3) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, or by electronic transmission, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director; (4) facsimile; (5) electronic mail; or (6) other electronic means. All such notices shall be given or sent to the director's address or telephone number as shown on the corporation's records.

The notice shall state the time of the meeting and the place, if the place is other than the corporation's principal office. The notice need not specify the purpose of the meeting.

Section 5.11. QUORUM, PROXIES

A majority of the authorized number of directors shall constitute a quorum for the transaction of any business except adjournment. Proxies, which shall be in writing, may be used for the purpose of opening a meeting. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 5.12. NOTICE

Notice of any meeting of the Board of Directors shall be given to all Directors at least four (4) days in advance if given by first-class mail or at least 48 hours in advance if given by notice delivered personally, by telephone, or by electronic transmission, provided that such notice may be waived by any Director. Notice shall not be given by electronic transmission if the Corporation is unable to deliver two consecutive notices to a Director by that means, or if the inability to deliver the notice becomes known to the Secretary or other person responsible for giving such notice.

Notice of a meeting need not be given to any director who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice to them.

Section 5.13. ACTION WITHOUT MEETING

An action required or permitted to be taken by the board may be taken without a meeting if all directors individually or collectively consent in writing to that action and if, subject to Corporations Code § 5224(a), the number of directors then in office constitutes a quorum. The written consent or consents shall be filed with the minutes of the proceedings of the board. The action by written consent shall have the same force and effect as an unanimous vote of the directors. For purposes of Corporations Code § 5211(b) only, "all directors" does not include an "interested director" as defined in Corporations Code § 5233(a) or a common director as described in Corporations Code § 5234(b) who abstains in writing from providing consent, when (i) the facts described in Corporations Code §5233(d)(1) or (d)(2) are established or the provisions of Corporations Code § 5233(a) are satisfied, as appropriate, at or before the execution of the written consent or consents; (ii) the establishment of those facts or satisfaction of those provisions is included in the written consent or consents executed by the noninterested or noncommon directors or in other records of the corporation; and (iii) the noninterested or noncommon directors approve the action by a vote that is sufficient without counting the votes of the interested directors or common directors.

Section 5.14. ADJOURNMENT

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

Section 5.15. DIRECTOR VOTING

Each director shall have one vote on each matter presented to the board of directors for action. No director may vote by proxy.

Section 5.16. COMPENSATION OF DIRECTORS

The Board may authorize the advance or reimbursement of actual reasonable expenses incurred by a Director or member of a committee in carrying out his or her duties. Directors shall not otherwise be compensated.

Section 5.17. RESTRICTION ON INTERESTED DIRECTORS

Not more than forty-nine (49) percent of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (a) any person compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise; (b) any shareholder, employee or officer of any corporation, or partner or employee or any partnership, which has rendered compensated services to the Corporation within the previous twelve (12) months; and (c) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law of any person described in (a) or (b) of these Bylaws. Any violation of the provisions of this paragraph shall not, however, affect the validity or enforceability of any transaction entered into by the Corporation.

ARTICLE VI
COMMITTEES

Section 6.1. COMMITTEES OF DIRECTORS

The Board of Directors may, by resolution adopted by a majority of the Directors then in office, designate one or more committees consisting of two or more Directors, and only of directors, to serve at the pleasure of the Board. Any member of any committee may be removed, with or without cause, at any time by the Board. Any committee, to the extent provided in the resolution of the Board, shall have all or a portion of the authority of the Board, except that no committee, regardless of the Board resolution, may:

(a) Fill vacancies on the Board of Directors or on any committee;

(b) Amend or repeal the Articles of Incorporation or Bylaws or adopt new Bylaws;

(c) Amend or repeal any resolution of the Board;

(d) Designate any other committee of the Board or appoint the members of any committee; or

(e) Approve any transaction (i) to which the Corporation is a party and as to which one or more Directors has a material financial interest, or (ii) between the Corporation and one or more of its Directors or between the Corporation and any corporation or firm in which one or more of its Directors has a material financial interest.

Section 6.2. EXECUTIVE COMMITTEE

Pursuant to Section 7.1, below, the Board may appoint two or more Directors and the president, to serve as the Executive Committee of the Board. The president shall serve as chair of the Executive Committee. The Executive Committee, unless limited by a resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the Corporation between meetings of the Board; provided, however, that the Executive Committee shall not have the authority of the Board in reference to those matters enumerated in Section 6.1, above.

Section 6.3. COMPENSATION COMMITTEE AND COMPENSATION REVIEW

At any time, this Corporation compensates its President or Treasurer, the Corporation shall have a Compensation Committee consisting of at least three (3) Directors and exclusively of Directors. Directors who are also employees of the Corporation may not serve on the Compensation Committee. The Compensation Committee shall review the compensation of the President, Treasurer, Vice President (if any), and Chief Investment Officer (if any), as well as of such other Officers of the Corporation as the Compensation Committee determines appropriate. This review shall occur when such officer is hired, when the term of employment of such officer is renewed or extended, and when the compensation of such officer is modified, unless the modification applies to substantially all of the employees of this corporation. Based on its review, the Compensation Committee shall recommend just and reasonable compensation amounts to the Board. At the request of the President or the Board, the Compensation Committee shall review any issue involving staff compensation and benefits, including but not limited to housing, health, and retirement plans.

Section 6.4. ADVISORY COMMITTEES

The Board may establish one or more Advisory Committees to the Board. The members of any Advisory Committee may consist of directors or nondirectors. Advisory committees may not exercise the authority of the Board to make decisions on behalf of the Corporation but shall be limited to making recommendations to the Board or the Board's authorized representatives and to implementing Board decisions and policies. Advisory Committees shall be subject to the supervision and control of the Board.

Section 6.5. AUDIT COMMITTEE

At all times that this Corporation is required by applicable law to have an Independent audit, or at any time the Corporation voluntarily chooses to do so, the Corporation shall have an Audit Committee consisting of at least two Directors who are employees of the Corporation or who receive, directly or indirectly, any consulting, advisory, or other compensatory fees from the Corporation (other than for service as Director) may not serve on the Audit Committee. The President and Treasurer, if also Directors, may serve on the Audit Committee only if such persons are volunteers and are not compensated by this Corporation. The Audit Committee shall perform the duties and adhere to the guidelines set forth from time to time by the Board. These duties include but are not limited to: (i) assisting the Board in choosing an independent auditor and recommending termination of the auditor, if necessary, (ii) negotiating the auditor's compensation, (iii) conferring with the auditor regarding the Foundation's financial affairs, and (iv) reviewing and accepting or rejecting the audit. Members of the Audit committee shall not receive compensation for their service on the Audit Committee in excess of that provided to Directors for their service on the Board. If the Corporation has a Finance Committee, a majority of the members of the Audit Committee may not concurrently serve as members of the Finance Committee, and the Chair of the Audit Committee may not serve on the Finance Committee.

Section 6.6. MEETING AND ACTION OF COMMITTEES

The Board of Directors may adopt rules for any committee not inconsistent with the provisions of these Bylaws.

ARTICLE VII
OFFICERS

Section 7.1. OFFICERS

The officers of this corporation shall be a president, a secretary, and a treasurer. The corporation, at the board's discretion, may also have one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed.

Any number of offices may be held by the same person, except that the secretary, the treasurer, and the treasurer may not serve concurrently as the president of the board.

The officers of this corporation shall be chosen annually by the board and shall serve two-year terms, subject to the rights of any officer under any employment contract.

Section 7.2. ADDITIONAL OFFICERS

The board may appoint and authorize the chair of the president, or another officer to appoint any other officers that the corporation may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the bylaws or established by the board.

Section 7.3. REMOVAL OF OFFICERS

Without prejudice to the rights of any officer under an employment contract, the board may remove any officer with or without cause.

Section 7.4. RESIGNATION OF OFFICERS

Any officer may resign at any time by giving written notice to the board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.

Section 7.5. VACANCIES

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for normal appointments to that office. However, vacancies need not be filled on an annual basis.

Section 7.6. PRESIDENT

The president shall preside at all members' meetings and at all board meetings. The President shall be an ex officio member of all the standing committees, including the executive committee, if any. The president shall have such other powers and duties as the board or the bylaws may require.

Section 7.7. VICE PRESIDENT

If the president is absent or disabled, the vice presidents, if any, in order of their rank as fixed by the board, or, if not ranked, a vice president designated by the board, shall perform all duties of the president. When so acting, a vice president shall have all powers of and be subject to all restrictions on the president. The vice presidents shall have such other powers and duties as the board or the bylaws may require.

Section 7.8. SECRETARY

(a) The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings, and actions of the board, of committees of the board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was biennial, general, or special, and, if special, how authorized; the notice given; the names of persons present at board and committee meetings; and the number of members present or represented at members' meetings.

(b) The secretary shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.

(c) The secretary shall keep or cause to be kept, at the corporation's principal office or at a place determined by resolution of the board, a record of the corporation's members, showing each member's name, address, and class of membership.

(d) The secretary shall give, or cause to be given, notice of all meetings of members, of the board, and of committees of the board that these bylaws require to be given. The secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may require.

Section 7.10. TREASURER

(a) The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The treasurer shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board. The books of account shall be open to inspection by any director at all reasonable times.

(b) The treasurer shall (1) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate; (2) disburse the corporation's funds as the board may order; (3) render to the president and the board, when requested, an account of all transactions as treasurer and of the financial condition of the corporation; and (4) have such other powers and perform such other duties as the board or the bylaws may require.

(c) If required by the board, the treasurer shall give the corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the office and for restoration to the corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the treasurer on their death, resignation, retirement, or removal from office.

ARTICLE VIII
RECORDS AND REPORTS

Section 8.1. MAINTENANCE OF RECORDS

The Corporation shall keep the following 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:

(a) The original or a copy of its Articles and Bylaws as amended to date,

(b) Financial records, and

(c) Written minutes of the Board, biennial and special meetings.

Section 8.2. MAINTENANCE OF OTHER CORPORATE RECORDS

The accounting books, records, and minutes of the proceedings of the Board of Directors and any committee(s) of the Board of Directors 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 in either written or typed form or in any other form capable of being converted into written, typed, or printed form.

Section 8.3. INSPECTION BY MEMBERS

Financial records and minutes of the Board, biennial, and special meetings shall be open to any member for inspection.

Section 8.4. INSPECTION BY DIRECTORS

Every director shall have the absolute right at any reasonable time to inspect the corporation's books, records, and documents of every kind, and to inspect the physical properties of the corporation. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of books, records, and documents of every kind.

Section 8.5. ANNUAL REPORT

The board shall present a budget and annual report to the City of Chico by March 31st each year in accordance with the Agreement for Administration of Parking and Business Improvement Area as amended.

Section 8.6. FINANCIAL AUDIT

The Corporation shall obtain a financial audit for any tax year in which it receives or accrues gross revenue of $2 million or more, excluding grant or contract income from any governmental entity for which the governmental entity requires an accounting. Any audited financial statements obtained by the Corporation, whether or not required by law, shall be made available for inspection by the Attorney General and by the general public within nine (9) months after the close of the fiscal year to which the statements relate. For three (3) years, such statements (a) shall be available at the Corporation's principal, regional, and district offices during regular business hours and (b) shall be made available either by mailing a copy to any person who so requests in person or in writing, or by posting them on the Corporation's website.

All books and records of the Corporation shall at all times be available for review by the Finance Director of the City of Chico and subject to an annual audit of compliance. The City of Chico has the authority to conduct a full financial audit, if deemed necessary by the City of Chico.

ARTICLE IX
INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 9.1. <u>RIGHT TO INDEMNIFICATION</u>

This Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was an Officer, Director, or 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, or other enterprise, against expenses, judgements, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the California Nonprofit Corporation Law.

In determining whether indemnification is available to the Director, Officer, or agent of this Corporation under California law, the determination as to whether the applicable standard shall be made by a majority vote of the quorum of the Directors who are not parties to the proceeding. If the number of Directors who are not parties to the proceeding is less than two-thirds of the total number of Directors seated at the time the determination is to be made, the determination as to whether the applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 9.2. <u>INSURANCE</u>

This corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising from the officer's, director's, employee's, or agent's status as such.

The Corporation shall pay for and maintain in full force and affect all policies of insurance in accordance with the Agreement for Administration of Parking and Business Improvement Area, as amended.

[*Continued on following page.*]

ARTICLE X
CONTRACTS AND LOANS WITH DIRECTORS AND OFFICERS

Section 10.1. CONTRACTS WITH DIRECTORS AND OFFICERS

(a) No Director or Officer of this Corporation, nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors or Officers are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Corporation, unless (i) the material facts regarding such Director's or Officer's financial interest in such contract or transaction and/or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes, or are known to all members of the Board prior to consideration by the Board of such contract or transaction; (ii) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the vote or votes of such interested Director(s); (iii) prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation under the circumstances that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (iv) this Corporation enters into the transaction for its own benefit, and the transaction is fair and reasonable to this Corporation at the time the transaction is entered into.

(b) The provisions of this Section do not apply to a transaction which is part of an educational or charitable program of the Corporation if it: (i) is approved or authorized by the Corporation in good faith and without unjustified favoritism; and (ii) results in a benefit to one or more Directors or Officers or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this Corporation.

Section 10.2. LOANS TO DIRECTORS AND OFFICERS

The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or Officer, unless approved by the Attorney General of the State of California; provided, however, that the Corporation may advance money 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.

ARTICLE XI
FISCAL YEAR

The fiscal year of the corporation shall end on December 31.

ARTICLE XII
AMENDMENTS

These Bylaws may be adopted, amended, or repealed by a majority vote of the entire Board of Directors; provided, however, that doing so does not materially and adversely affect the members' rights as to voting or transfer.

ARTICLE XIII
PRIVATE FOUNDATION RESTRICTIONS

In any period in which the Corporation is a private foundation, as defined in Internal Revenue Code §509, this Corporation shall make distributions at such time and in such manner as not to subject the Corporation to tax under Internal Revenue Code §4942, and the Corporation shall not (i) engage in any act of self-dealing, as defined in Internal Revenue Code §4941(d), (ii) retain any excess business holdings, as defined in Internal Revenue Code §4943(c), (iii) make any investments in such manner as to subject the Corporation to tax under Internal Revenue Code §4944, or (iv) make any taxable expenditures, as defined in Internal Revenue Code §4945(d).

ARTICLE XIV
EMERGENCY PROVISIONS

Section 14.1. EMERGENCY

The emergency bylaw provisions of this section are adopted in accordance with Corporations Code §5151(g). Notwithstanding anything to the contrary herein, this section applies solely during an emergency, which is the limited period of time during which a quorum cannot be readily convened for action as a result of the following events or circumstances until the event or circumstance has subsided or ended and a quorum can be readily convened in accordance with the notice and quorum requirements in Sections 5.9 and Section 5.11 of these bylaws:

(1) A natural catastrophe, including, but not limited to, a hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought, or regardless of cause, any fire, flood, or explosion;

(2) An attack on this state or nation by an enemy of the United States of America, or on receipt by this state of a warning from the federal government indicating that an enemy attack is probable or imminent;

(3) An act of terrorism or other man-made disaster that results in extraordinary levels of casualties or damage or disruption severely affecting the infrastructure, environment, economy, government function, or population, including, but not limited to, mass evacuations; or

(4) A state of emergency proclaimed by the governor of the state in which one or more Directors are resident, or by the President of the United States.

Section 14.2. EMERGENCY ACTIONS

During an emergency, the board may;

(1) Modify lines of succession to accommodate the incapacity of any director, officer, employee, or agent resulting from the emergency;

(2) Relocate the principal office or authorize the officers to do so;

(3) Give notice to a director or directors in any practicable manner under the circumstances, including, but not limited to, by publication and radio, when notice of a meeting of the board cannot be given to that director or directors in the manner prescribed by Section 4.9 of these bylaws; and

(4) Deem that one of more officers present at a board meeting is a director, in order of rank and within the same rank in order of seniority, as necessary to achieve a quorum.

During an emergency the board may not take any action that is not in the corporation's ordinary course of business. Any actions taken in good faith during an emergency under this section may not be used to impose liability on a director, officer, employee, or agent.

ARTICLE XV
CONSTRUCTION AND DEFINITIONS

Section 15.1. 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, and the plural number includes the singular.

Section 15.2. ELECTRONIC TRANSMISSION

Subject to any guidelines and procedures that the Board of Directors may adopt from time to time, the terms "written", and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means and may include electronic transmissions, such as facsimile or email, provided (i) for electronic transmissions from the Corporation, the Corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions from the Corporation, the Corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creases a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

CERTIFICATE OF SECRETARY

I, the undersigned, the duly elected Secretary of DOWNTOWN CHICO BUSINESS ASSOCIATION, a California nonprofit public benefit corporation, do hereby certify:

That the foregoing Bylaws consisting of 20 pages were adopted as the Bylaws of the Corporation by the Directors of the Corporation on February 4, 2025 and the same do now constitute the Bylaws of said Corporation.

IN WITNESS WHEREOF, I have hereunto subscribed my name this _____________.

Dated: 2. 6. 25

BRENDA NARAYAN, Secretary

EXHIBIT A
2025 BOARD OF DIRECTORS

Directors	Officers	Office Ends	Term Ends
Greg Scott (Member)	President	2026	2028
Sharie Anderson (Non-Affiliate/Chico State)	1st Vice President	2026	2028
Nick Andrews (Member)	2nd Vice President	2028	2026
Nicole Johnston (Non-Affiliate/Tri Counties)	Treasurer	2028	2026
Brenda Narayan (Member/PG&E)	Secretary	2028	2026
Mary Hartley (Member)			2028
Tomas Hightower (Member)			2028
Nicole Hill (Member)			2026
Michael Lee (Member)			2028
Julie Lengerich (Member)			2028
Pat Macias (Non-Affiliate/MONCA)			2026
Ian Macmillan (Non-Affiliate/Plumas Bank)			2028
Linda Zorn (Non-Affiliate/Butte College)			2026
Liza Tedesco (Member)			2026
Steven Stull (Non-Affiliate/California Water Service)			2026

CERTIFICATE OF
AMENDMENT AND RESTATEMENT OF
ARTICLES OF INCORPORATION OF
DOWNTOWN CHICO BUSINESS ASSOCIATION
A CALIFORNIA NONPROFIT
PUBLIC BENEFIT ORGANIZATION

The undersigned certify that:

1. We are the president and secretary of the DOWNTOWN CHICO BUSINESS ASSOCIATION with entity number 0751880.

2. The Articles of Incorporation of this corporation are amended and restated to read as follows:

ONE: The name of this corporation is:

DOWNTOWN CHICO BUSINESS ASSOCIATION

TWO: This corporation elects to be governed by all of the provisions of the Nonprofit Corporation Law of 1980 not otherwise applicable to it under Part 5 thereof.

THREE: 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 this Corporation is to promote the economic vitality of the area described by the Chico Municipal Code § 3.34.050 and to carry out the purposes set forth in section 36000 of the Streets and Highways Code of the state of California, or one or more of said purposes, which are as follows:

(a) The acquisition, construction or maintenance of parking facilities for the benefit of the area;

(b) Decoration of any public place in the area;

(c) Promotion of public events which are to take place on or in public areas;

(d) Furnishing of music in any public place in the area;

(e) The general promotion of retail trade activities in the area.

This corporation is organized exclusively to promote social welfare and for the public and charitable purposes within the meaning of Internal Revenue Code §501(c)(4) or the corresponding provision of any future United States internal revenue law. Despite any other provision in these articles, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that do not further the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on by (a) a corporation exempt from federal income tax under Internal Revenue Code §501(c)(4) or the corresponding provision of any future United States internal revenue law, or (b) a corporation, contributions to which are deductible under Internal Revenue Code

§170(c)(2) or the corresponding provision of any future United States internal revenue law.

FOUR: The members of this Corporation shall be all businesses, trades, or professions subject to business license tax under the provisions of Chapter 3.32 of the Chico Municipal Code, situate in the downtown parking and business improvement area of the City of Chico, State of California, as defined by section 3.34.050 of the Chico Municipal Code.

FIVE: Tax-exempt Status

(a) No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate or intervene in (including publishing or distributing statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

(b) All corporate property is irrevocably dedicated to the purposes set forth in Article 3. No part of the net earnings of this corporation shall inure to the benefit of any of its directors, trustees, officers, private shareholders or members, or to individuals.

(c) 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 an organization (or organizations) organized and operated exclusively for the following purposes: public and charitable purposes, if the organization has established its tax-exempt status under Internal Revenue Code §501(c)(4) (or corresponding provisions of any future federal Internal Revenue Code law)

SIX: The corporation is authorized to indemnify the agents of the corporation to the fullest extent permissible under California law.

3. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the board of directors.

4. The foregoing amendment of Articles of Incorporation has been duly approved by the required vote of the members.

WE FURTHER DECLARE under penalty of perjury under the laws of the state of California that the matters set forth in this certificate are true and correct of our own knowledge.

Date: 2.6.25

D. Gregory Scott
GREG SCOTT, President

Date: 2.6.25

GREG SCOTT, President

BRENDA NARAYAN, Secretary