

RESOLUTION 2005-001

ORGANIZATIONAL CERTIFICATE

The Chairman presented to the meeting an Organizational Certificate, duly executed by Dwight M. Montgomery, Esq., of Best Best & Krieger LLP, as the sole Incorporator of the Corporation, which Organizational Certificate recites the actions taken by the Incorporator. After review by the Board, and upon motion duly made, seconded and unanimously carried, the Organizational Certificate was also made a part of the records of the meeting.

ARTICLES FILED

The Chairman presented to the meeting a certified copy of the Corporation's Articles of Incorporation already contained in the corporate minute book. Said certified copy showed the following filing information with the California Secretary of State's Office:

Filing Date: April 27, 2005

Corporate Number: 2744548

After review of said Articles of Incorporation by the Board and after a short discussion and on motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that the Articles of Incorporation of this Corporation as duly certified by the California Secretary of State have been reviewed and are hereby ratified and approved by this Board of Directors.

BYLAWS

The Chairman informed the Board that the Bylaws were approved and on motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that the Secretary of this Corporation is hereby authorized and directed to execute a certificate of the adoption of said Bylaws by the Incorporator and to attach such Certificate of Secretary to the Bylaws in the minute book of this Corporation. The Secretary is hereby further instructed to see that a copy of said Bylaws, similarly certified, is kept at the principal executive office of this Corporation, in accordance with Section 213 of the California Corporations Code.

PRINCIPAL EXECUTIVE OFFICE

The Chairman stated that it was necessary to designate the location of the Corporation's principal executive office as set forth in the Bylaws. After discussion, the following resolution was unanimously adopted:

RESOLVED, that 8353 Sierra Avenue, Fontana, California 92335 is hereby designated and fixed as the principal executive office for the transaction of the business of this Corporation.

LICENSES AND PERMITS

The Chairman pointed out to the meeting that it would be necessary for the Corporation to obtain certain governmental approvals, permits and authorizations to engage in its business activities in the State of California, including, but not limited to, the proper issuance of business license for the County of San Bernardino. On motion duly made and carried, the following resolution was unanimously adopted:

RESOLVED, that the appropriate officers of this Corporation are hereby authorized and directed to make such applications and to comply with such laws, regulations and rules as are necessary to the obtaining by this Corporation of any and all permits, licenses, authorizations and certificates as may be necessary for this Corporation to engage in its business activities in the State of California.

ANNUAL REPORT

The Chairman stated that in order for the Corporation to comply with the provisions of Section 1502 of the California Corporations Code, it is necessary to file a "Statement of Information (Domestic Nonprofit Corporation)" with the California Secretary of State within 90 days of formation and annually thereafter. The Board reviewed all provisions of said Code Section and the following resolution was unanimously adopted:

RESOLVED, that the officers of this Corporation are hereby authorized and directed to prepare, execute and file the statement required by Section 1502 of the California Corporations Code with the California Secretary of State as required by law.

BANK RESOLUTION

The Chairman stated that the Corporation must have a depository for the funds of this Corporation and to authorize certain officers to deal with said funds. After a short discussion, the following resolutions were unanimously adopted:

RESOLVED, that the officers of this Corporation are hereby authorized and directed to select a depository for the funds of this Corporation and that the terms of all accounts with such Bank, including the names of the persons authorized to sign checks on behalf of this Corporation, shall be as set forth on said Bank's form of resolution card.

RESOLVED FURTHER, that any one or all of the officers of this Corporation are hereby authorized by this Board of Directors to be the authorized signatory on the general bank accounts of this Corporation for the purpose of signing checks, drafts and other orders for the payment of money on sums held in such account.

ACCOUNTING YEAR

The Chairman stated that the Corporation needed to adopt an accounting year, either fiscal or calendar, which must be reported to the California Franchise Tax Board and to the Internal Revenue Service. After a short discussion and on motion duly made, seconded and unanimously carried, the following resolution was adopted:

RESOLVED, that this Corporation hereby adopts an accounting year as follows:

Accounting Year Begins: July 1
Accounting Year Ends: June 30

LEGAL SERVICES

The Chairman noted that the Law Firm of Best Best & Krieger LLP ("BB&K") has provided legal services in connection with the incorporation and organization of the Foundation and that BB&K would continue to provide legal services in furtherance of finalizing incorporation and organizational matters, including, but not limited to, obtaining federal and state tax exemption. After a short discussion, the following resolution was unanimously adopted:

RESOLVED, that this Board hereby ratifies all action taken to date by BB&K and further authorizes BB&K, together with the appropriate officers, to take all actions necessary and required to (a) finalize the incorporation and (b) obtain federal and state tax exemption and (c) fulfill the intent of any resolutions adopted during this meeting in connection therewith.

ENABLING RESOLUTION

The Chairman noted that the officers, and each of them, might be required to take actions not specifically authorized under the foregoing Resolutions in connection with carrying out the intent of the foregoing Resolutions. After a short discussion, the following resolution was unanimously adopted:

RESOLVED, that this Board hereby authorizes the officers, and each of them, to take all actions necessary and required to carry out the intent of any Resolution adopted during this meeting.

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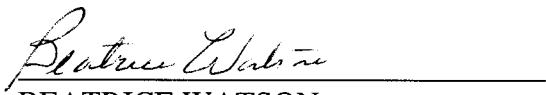
ADJOURNMENT

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



MARK N. NUAIMI
Chairman

ATTEST:



BEATRICE WATSON
Secretary

BYLAWS
OF
FONTANA COMMUNITY FOUNDATION
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

ARTICLE I
ORGANIZATION

1.1 Name. The name of this corporation is FONTANA COMMUNITY FOUNDATION (“Foundation”).

1.2 Purpose. This Foundation 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 purposes. The specific purposes of this Foundation are:

- to lessen the burdens of government by aiding and assisting in the implementation, improvement, and maintenance of public services that preserve and promote the health and welfare and education of local citizenry of the City of Fontana (“City”);
- to form unincorporated divisions responsible for furtherance of one or more of such public services as deemed appropriate by the Board of Directors of this Corporation; and
- to receive, invest, and utilize funds and property acquired through the solicitation of contributions, donations, grants, gifts, bequests and the like for the purposes for which this Corporation is formed.

1.3 Limitation on Corporate Activities. The Foundation is organized and operated exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended from time to time (“Internal Revenue Code”). The Foundation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

1.4 Dedication of Assets. The property of this Foundation is irrevocably dedicated to public and educational purposes meeting the requirements for exemption under Section 214 of the California Revenue and Taxation Code, and no part of the net income or assets of this Foundation shall ever inure to the benefit of any director, officer, or member thereof, or to the benefit of any private persons.

1.5 Principal Office. The principal office of the Foundation shall be at 8353 Sierra Avenue, Fontana, California 92335. The “Board” (as that term is defined in Section 2.2(a) of

these Bylaws) is hereby granted full power and authority to change the location of the principal office of the Foundation within such City in the County of San Bernardino, California. Any such change shall be noted by the Secretary in these Bylaws, but shall not be considered an amendment of these Bylaws. The Foundation may also have offices at such other places, within or without the State of California, where it is qualified to do business, as its business may require and as the Board, from time to time, designate.

1.6 Members.

1.6.1 The Foundation shall have no “members” as that term is defined by Section 5056 of the California Corporations Code (“CCC”), and shall be governed solely by its Board in accordance with these Bylaws.

1.6.2 Pursuant to Section 5310 (b) of the CCC, any action which would otherwise require approval by a majority of all members, shall only require the approval of the Board.

1.6.3 The Foundation may refer to persons or entities associated with it as “members” even though those persons or entities are not voting members, but no such reference shall constitute anyone a member within the meaning of Section 5056 of the CCC.

ARTICLE II DIRECTORS

2.1 Powers. Subject to the limitation of the Articles, these Bylaws and the laws of the State of California, all corporate powers shall be exercised by or under the authority of, and the business and affairs of this Foundation shall be controlled and conducted by, the Board.

2.2 Number and Categories of Directors.

2.2.1 The authorized number of the members (“Directors”) of the Board of Directors (“Board”) of the Foundation shall not be less than five (5) and not more than nine (9), the exact number to be fixed by resolution of the Board. The exact number of Directors initially authorized shall be five (5) until changed within the limits specified herein by a duly adopted resolution of the Board.

2.2.2 The following individuals shall be appointed to the Board as “Ex-Officio” Directors with the right to vote: the five (5) sitting members of the City Council of the City (“City Council”).

Notwithstanding any provision in these Bylaws to the contrary, except for Section 2.4(b) of these Bylaws, Ex-Officio Directors shall hold such membership on the Board for so long as such individual holds his or her position with the City Council, and shall automatically be deemed to have resigned from and removed from the Board, without any action by the Board, effective at such time when said individual no longer holds his or her position with

the City Council, and shall be replaced, without any action by the Board, in accordance with this Section 2.2.2.

2.2.3 All other Directors shall be "Elected Directors" with the right to vote and shall be elected by the Ex-Officio Directors.

2.3 Elected Directors: Nomination; Election; and Term of Office.

2.3.1 Elected Directors who are to be elected by the Ex-Officio Directors shall be so elected at the annual meeting of the Board. The candidates receiving the highest number of votes up to the number of Elected Directors to be elected are elected.

2.3.2 Subject to Section 2.3.4 of these Bylaws, Elected Directors shall be eligible for election to the Board for no more than two (2) consecutive three (3) year terms, and shall thereafter be eligible for election to the Board upon the passage of one (1) year after expiration of their last term. Each Elected Director shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

2.3.3 Elected Directors shall be selected from persons residing in the community serviced by the City who have expressed an interest in and commitment to the purposes of this Foundation.

2.3.4 A vacancy occurring in the office of an Elected Director may be filled by the Ex-Officio Directors for the balance of the unexpired term and until a successor has been elected and qualified.

2.4 Vacancies on the Board. A vacancy or vacancies on the Board shall exist on the occurrence of the following:

(a) the death, disqualification, resignation, suspension, or expulsion, or termination of any Elected Director;

(b) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order of judgment of any court to have breached a duty under Article 3 of Chapter 2 of the CCC; or

(c) the increase in the authorized number of Directors.

2.4.1 Removal of a Director for one or more of the reasons listed in (b) above may be initiated by any member of the Board.

2.4.2 Subject to Section 2.3.3 of these Bylaws, a vacancy on the Board shall be filled in the same manner of selection as that used to select the Director whose office is vacant.

2.4.3 No reduction in the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

2.5 Resignations of Elected Directors. Except as provided in these Bylaws, any Elected Director may resign by giving written notice to the President or the Secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective.

2.6 Removal of Elected Directors. An Elected Director may be removed by a majority vote of the Directors whenever in the Board's judgment the best interests of the Foundation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the Elected Director so removed.

ARTICLE III MEETINGS OF THE BOARD OF DIRECTORS

3.1 Meetings of the Board.

3.1.1 Notwithstanding any other provision in these Bylaws, all meetings of the Board shall be held in compliance with the requirements of the Ralph M. Brown Act as set forth in Section 54950 et seq. of the California Government Code.

3.1.2 Meetings of the Board shall be held at the principal office of the Foundation, unless another place is stated in the notice of the meeting.

3.1.3 The annual meeting of the Board shall be held for the purpose of organization, election of Elected Directors and officers, adoption of a budget for the upcoming fiscal year, and the transaction of such other business as may properly be brought, the exact date of which to be set by resolution of the Board.

3.1.4 Regular meetings of the Board shall be held at the place and time specified by resolution adopted by the Board.

3.1.5 Notice of all regular meetings of the Board shall be given. At least seventy-two (72) hours before the regular meeting, the Board shall post an agenda which contains a brief description of each item of business to be transacted or discussed at the meeting. The agenda shall specify the time and place of the regular meeting, and shall be posted in a location that is freely accessible to the public. The agenda shall provide an opportunity for members of the public to directly address the Board on any item of interest to the public, before or during the Board's consideration of the item, that is within the subject matter jurisdiction of the Board.

3.1.6 A special meeting of the Board may be called by the President, Secretary, or any two Directors.

3.1.7 Notice of all special meetings of the Board shall be given by delivering written notice to each Director, and to members of the media requesting notice in writing, at least four (4) days before the time of the meeting. The notice shall specify the time and place of the special meeting and the business to be transacted or discussed, and shall be posted at least four (4) days prior to the special meeting in a location that is freely accessible to the public. The written notice may be dispensed with as to any Director who, at or prior to the time the meeting convenes, files with the Secretary a written waiver of notice or who is actually present at the meeting when it convenes. All such waivers, consents and approvals shall be made a part of the minutes of the meeting.

3.1.8 Members of the Board may participate in a meeting through use of a conference telephone or similar communications equipment, so long as all such members participating in such meeting can hear one another and so long as the requirements of the Ralph M. Brown Act with respect to teleconferencing are followed. Participation in a meeting by this means constitutes presence in person at such meeting.

3.1.9 Meetings of the Board shall be presided over by the President of the Foundation, or in his or her absence, by the Vice President of the Foundation, or in the absence of each of these persons, by a person chosen by the majority of the Directors present at the meeting. The Secretary of the Foundation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

3.1.10 A majority of the authorized number of Directors shall constitute a quorum of the Board for the transaction of business, except to adjourn.

3.1.11 A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. 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 the time of the adjourned meeting, to the Directors who were not present at the time of adjournment.

3.2 Required Vote of Directors.

3.2.1 Every act or decision done or made by a majority of the Directors present at a meeting duly held at which quorum is present is the act of the Board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

3.2.2 Notwithstanding Section 3.2.1 of these Bylaws, the following matters require the unanimous approval of the authorized number of Directors: adoption, amendment, or repeal of these Bylaws.

3.3 Compensation of Directors. Directors shall receive no compensation for their services. However, they shall be entitled to receive such just and reasonable reimbursement of expenses as may be determined by the Board.

3.4 Inspection Rights of Directors. Every Director shall have the absolute right to any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Foundation during normal weekday business hours. If a Director wishes to be accompanied by an attorney during such inspection, then the inspection will be scheduled at a time when the Foundation's attorney will be present.

3.5 Interested Persons. Not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons.

3.5.1 As used in this section, an "interested person" means either:

(a) Any person currently being compensated by the Foundation for services rendered to it within the previous twelve (12) months, whether as a full- or part-time employee, independent contractor, or otherwise; or

(b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

3.5.2 The provisions of this Section 3.5 shall not affect the validity or enforceability of any transaction entered into by the Foundation.

3.6 General Powers. The affairs of the Foundation shall be managed by the Board to the extent consistent with the Articles of Incorporation, these Bylaws, and applicable law.

ARTICLE IV OFFICERS AND INVESTMENT TRUSTEE

4.1 Number and Titles of Officers. The officers of the Foundation shall be a President, Vice President, Secretary, and Treasurer, and such other officers with such titles and such duties as shall be determined and deemed advisable by the Board. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President.

4.1.1 The President, who may be designated by the alternate titles of Chief Executive Officer or Chairperson, shall, subject to the control of the Board, have general supervision, direction and control all of its business and affairs and of its officers, employees and agents, including the right to employ, discharge and prescribe the duties and compensation of all officers, employees and agents of the Foundation, except where such matters are prescribed in the Bylaws or by the Board. The President shall preside at all meetings of the Board. The President is authorized to sign, with the Secretary or other proper officers of the Foundation

authorized by the Board as may be required, all contacts, notes, conveyances, and other papers, documents and instruments in writing in the name of the Foundation.

4.1.2 The Vice President, who may be designated by the alternate title of Vice-Chairperson, shall, in the absence of the President or inability or refusal of the President to act, carry on all duties and powers required by law or conferred by these Bylaws upon the President.

4.1.3 The Secretary shall keep or cause to be kept the minutes of all meetings in the Minute Book of the Foundation as prescribed by Article VII of these Bylaws. The Secretary shall sign in the name of the Foundation with one or more other officers all documents authorized or required to be signed by the Secretary. The Secretary shall keep, or cause to be kept, at the principal office in the State of California, the original or a copy of the Articles of Incorporation and Bylaws, amended, a book of minutes and a register showing the names and addresses of all Directors. The Secretary shall keep the seal and shall affix the seal to documents as appropriate or desired, but failure to affix it shall not affect the validity of any instrument. The Secretary shall see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law. The Secretary shall, in general, perform all duties incident to the office of Secretary and such other duties as may be required by law, the Articles of Incorporation of this Foundation, or by these Bylaws, or which may be assigned from time to time by the Board.

4.1.4 The Treasurer, who may be designated by the alternate title of Chief Financial Officer, shall be responsible for the receipt, maintenance, and disbursement of all funds of the Foundation and for the safekeeping of all securities of the Foundation. The Treasurer shall provide a financial report at every meeting. The Treasurer shall keep, or cause to be kept, books and records of account and records of all properties of the Foundation. The Treasurer shall prepare or cause to be prepared annually, or more often if so directed by the Board or President, financial statements of the Foundation. The Board may, by resolution, authorize one or more Assistant Treasurers to perform, under the direction of the Treasurer, some or all the duties of the Treasurer. Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts promissory notes, orders for payment of money and other indebtedness of the Foundation shall be signed by the Treasurer and countersigned by the President of the Foundation.

4.2 Appointment; Removal; and Term of Officers. Subject to subparagraphs (b) and (d) of this Section 4.2, the President, Vice President, Secretary, and Treasurer shall hold such respective offices for terms of one (1) year. Otherwise:

(a) all officers shall be appointed by the Board at the Annual Meeting. Other officers shall be appointed as prescribed by resolution of the Board establishing the office;

(b) any officer appointed by the Board may be removed from office at any time by the Board, with or without cause or prior notice;

(c) when authorized by the Board, any appointed officer may be appointed for a specific term under a contract of employment; provided, however, that when such officer is appointed for a specified term or under a contract of employment, he or she may be removed from office at any time pursuant to the immediately foregoing subparagraph (b) and shall have no claim against the Foundation on account of such removal other than such monetary compensation as the officer may be entitled to under the terms of the contract; and

(d) any officer may resign at any time upon written notice to the Foundation without prejudice to the rights, if any, of the Foundation under any contract of employment to which the officer is a party, and such resignation is effective upon receipt of the written notice by the Foundation unless the notice prescribes a later effective date or unless the notice prescribes a condition to the effectiveness of the resignation.

4.3 Investment Trustee. The Foundation may appoint an Investment Trustee responsible for the investment of property, both cash and in kind, of the Foundation; subject, however, to limitations as the Board may from time to time set forth in resolutions.

ARTICLE V COMMITTEES AND UNINCORPORATED DIVISIONS

5.1 Committees.

5.1.1 Except as limited by Section 5.5 of these Bylaws, the Board may create standing or special committees, or advisory committees, for any purposes and delegate to such committees any of the powers and authorities of the Board to the extent permitted by Section 5212 of the CCC. Such committees shall have the power to act only in intervals between meetings of the Board and shall at all times be subject to the control of the Board. Such committees shall consist of two (2) or more Ex-Officio Directors, and may also consist of other persons who are not Directors. Members of a committee who are not Directors may act solely in an advisory capacity to the committee and shall be without vote.

5.1.2 The Chairperson and members of each standing, special or advisory committee shall be selected by the Board, and may be removed by majority vote of the Directors then in office.

5.1.3 The Chairperson and each member of each standing committee shall serve until his or her successor is appointed or until such committee is sooner terminated, or until such person is removed, resigns, or otherwise ceases to qualify as a Chairperson or member, as the case may be, of the committee. Chairpersons and members of special committees shall serve for the life of the committee unless they are sooner removed, resign, or cease to qualify as a Chairperson or member, as the case may be, of such committee. Vacancies on any committee may be filled for the unexpired portion of the term in the same manner as provided in the case of original appointment.

5.1.4 Each committee shall meet as often as necessary to perform its duties, at such times and places as directed by its Chairperson or by the Board. A majority of the members of a committee shall constitute a quorum of such committee and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee. Each committee shall keep accurate minutes of its meetings, the Chairperson designating a secretary of the committee for this purpose, and shall make periodic reports and recommendations to the Board.

5.1.5 Any expenditure of corporate funds by a committee, other than the Governance Committee, shall comply with budget limitations established by the Board or, in the alternative, shall be subject to the prior written approval of the Board.

5.1.6 Approval of actions of committees require a two-thirds (2/3) vote of the Board. Committees not having and exercising the authority of the Board in the management of the Foundation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present.

5.1.7 Standing committees shall consist of the Governance Committee, the Audit Committee, the Budget and Finance Committee, and such other standing committees as the Board may, from time to time, establish.

5.2 Governance Committee. The Governance Committee shall be composed solely of Directors, and the Board shall appoint not more than three (3) Directors to serve on the Governance Committee, of which not less than two (2) shall be Ex-Officio Directors. The Governance Committee shall have such duties as may be described in these Bylaws, shall fix the meetings of the Board, shall be responsible for the orientation of Directors and Board retreats, and shall have such additional duties as may be delegated to it by the Board.

5.3 Audit Committee. The Audit Committee shall be composed of not less than two (2) Ex-Officio Directors, not more than two (2) Elected Directors, and other persons whom the Board determines to be expert in compliance matters. The Audit Committee shall make reports and recommendations to the Board concerning whether the Foundation is in compliance with the laws, rules, regulations and contracts that govern it. The Audit Committee shall also review whether the management, information and control systems are organized and implemented to carry out these rules and regulations, and as well is responsible for supervising external financial reporting.

5.4 Budget and Finance Committee. The Budget and Finance Committee shall be composed of not less than two (2) Ex-Officio Directors, not more than two (2) Elected Directors, and other persons whom the Board determines to be expert in investment and financial matters. The Budget and Finance Committee shall make reports and recommendations to the Board concerning: the establishment of investment policies for the Foundation; the investment of Foundation funds; the selection of financial institutions to serve as depositories for funds of the Foundation; the selection of financial advisors to the Foundation; the development of operating and other budgets for the Foundation; and the oversight of accountants for the Foundation. The

Budget and Finance Committee shall have such additional duties as may be delegated to it by the Board.

5.5 Limitation on Delegation. In accordance with the CCC, the Board may not delegate any power of final action to any committee not composed entirely of Directors, and may not delegate to any committee the following powers:

- (a) the filling of vacancies on the Board or on any committee which has the authority of the Board;
- (b) the fixing of compensation of the Directors for serving on the Board or on any committee;
- (c) the amendment or repeal of Bylaws or the adoption of new Bylaws;
- (d) the amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;
- (e) the appointment of committees of the Board or the members thereof;
- (f) the expenditure of corporate funds to support a nominee for Director after there are more persons nominated for Director than can be elected; or
- (g) the approval of any self dealing transaction except as provided by law.

5.6 Unincorporated Divisions.

5.6.1 Unincorporated divisions may be established only by a resolution of the Board upon a finding of necessity in furtherance of the Foundation's purposes and exist solely as a component part of the Foundation.

5.6.2 Unincorporated divisions may have a Board of Directors and officers vested with authority to act for and on behalf of the Foundation, but subject to the unincorporated divisions organizational document(s) and the direction and oversight of the Board. Any final action not consistent with such organizational document(s) may only be taken with prior written approval of the Board.

5.6.3 Any unincorporated division may establish its own set of Bylaws and policies which set forth the rules and regulations concerning the governing and operation of the division; provided, however, that such Bylaws and policies are approved by the Board and do not conflict with any provisions of the Articles of Incorporation or these Bylaws. If there exists a conflict between the unincorporated division's Bylaws and these Bylaws, these Bylaws prevail.

An unincorporated division may also elect its own Board of Directors and officers; subject, however, to prior approval of the Foundation's Board.

ARTICLE VI **INDEMNIFICATION**

6.1 Indemnification of Directors, Officers, and Employees.

6.1.1 The Foundation may indemnify a Director, officer, or employee under the provisions of Section 5238 of the CCC, or pursuant to any contract entered into with any employee who is not an officer or Director.

6.1.2 Expenses incurred in defending any proceeding may be advanced by the Foundation as authorized in Section 5238 of the CCC prior to the final disposition of such proceeding, upon receipt of an undertaking by or on behalf of the Director, officer, or employee to repay such amount unless it shall be determined ultimately that the Director, officer, or employee is entitled to be indemnified.

6.1.3 The Foundation may purchase and maintain insurance on behalf of any Director, officer, or employee of the Foundation against any liability asserted against or incurred by the Director, officer, or employee in such capacity or arising out of the Director's officer's, or employee's status as such, whether or not the Foundation would have the power to indemnify the Director, officer, or employee against such liability under the provisions of Section 5238 of the CCC, except as provided in subdivision (I) of Section 5238 of the CCC.

ARTICLE VII **RECORDS**

7.1 Minute Book. The Foundation shall keep or cause to be kept a minute book which shall contain:

(a) the record of all meetings of the Board including date, place, those attending and the proceedings thereof, a copy of the notice of the meeting and when and how given, written waivers of notice of meeting, written consents to holding meeting, written approvals of minutes of meeting, and unanimous written consents to action of the Board without a meeting, and similarly as to meetings of committees of the Board established pursuant to the Bylaws and as to meetings or written consents of the incorporator of the Foundation prior to the appointment of the initial Directors;

(b) a copy of the Articles of Incorporation and all amendments thereof and a copy of all certificates filed with the Secretary of State; and

(c) a copy of these Bylaws as amended, duly certified by the Secretary.

7.2 Annual Report.

7.2.1 Financial statements shall be prepared as soon as reasonably practicable after the close of the fiscal year, but not later than the fifteenth (15th) day of the fifth (5th) month after the close of said fiscal year. The financial statements shall contain in appropriate detail the following:

(a) the assets and liabilities, including trust funds, of the Foundation 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 Foundation, both unrestricted and restricted to particular purposes, for the fiscal year; and

(d) the expenses or disbursements of the Foundation for both general and restricted purposes, during the fiscal year.

7.2.2 Any report furnished to Directors which includes the financial statements prescribed by Section 7.2.1 of these Bylaws shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Foundation that such statements were prepared without audit from the books and records of the Foundation.

7.2.3 A report including the financial statements prescribed by Section 7.2.1 of these Bylaws shall be furnished annually to all Directors.

7.3 Report of Transactions; and Indemnifications. The Foundation shall mail to all Directors a statement of any transaction between the Foundation and one of its officers or Directors or of any indemnification paid to any officer or Director if, and to the extent, required by Section 6322 of the CCC. The statement shall be mailed within 120 days after the close of the fiscal year. The statement required by this Section 7.3 shall describe briefly:

(a) any covered transaction during the previous fiscal year involving more than Fifty Thousand Dollars (\$50,000), or which was one of a number of covered transactions in which the same "interested person" had a direct or indirect material financial interest, and which transactions in the aggregate involved more than Fifty Thousand Dollars (\$50,000).

(b) the names of the "interested persons" involved in such transactions, stating such person's relationship to the Foundation, the nature of such person's interest in the transaction and, where practicable, the amount of such interest; provided, that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

(c) the statement shall describe briefly the amount and circumstances of any indemnifications or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the fiscal year to any Director or officer of the Foundation pursuant to Section 5238 of the CCC.

For these purposes, an "interested person" is (i) any Director or officer of the Foundation, or its parent or subsidiary; and (ii) any holder of more than 10 percent (10%) of the voting power of the Foundation, its parent or subsidiary.

ARTICLE VIII MISCELLANEOUS

8.1 Fiscal Year. The fiscal year of the Foundation shall begin on July 1 and end on June 30 of each year.

8.2 Bonding. All Directors, officers, or employees handling funds shall be properly bonded. The premium or premiums for such bonds shall be paid by the Foundation.

8.3 Self-Dealing. In the exercise of voting right by Directors, no Director shall vote on any issue, motion or resolution which directly or indirectly inures to his or her benefit financially, except that such Director may be counted in order to qualify a quorum and, except as the board may otherwise direct, participate in a discussion on such an issue, motion or resolution if he or she first discloses the nature of his or her interest subject to Section 5230 through and including Section 5239 of the CCC.

8.4 Gifts and Donations. The Board may accept on behalf of the Foundation any contributions, gifts, bequests, or devises for the general purpose or for any special purpose of the Foundation not violative of the Foundation's Articles of Incorporation.

8.4 Deposits. All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depositories as the Board may select.

8.5 Contracts. Unless otherwise set forth in these Bylaws the Board may authorize any officer or officers, agent or agents of the Foundation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authority may be general or confined to specific instances.

8.6 Checks; Drafts; etc. Except as otherwise set forth in these Bylaws, all checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Foundation, shall be signed by such officer or officers, agent or agents, of the Foundation and in such manner as shall from time to time be determined by resolution of the Board.

8.7 Conflicts of Interest. The members of the Board shall be subject to and in compliance with the disclosure and disqualification requirements of applicable law, including, but not limited to, the Political Reform Act, as it may apply, as set forth in Section 87100 et seq. of the California Government Code, and, without limiting the generality of the foregoing, the Foundation, through its Board, may promulgate from time to time a conflict of interest policy and other policies according to the current law then in effect to be adhered to by its officers and Directors.

8.8 Inspection of Articles and Bylaws. The Foundation shall keep at its principal executive office in California the original or a copy of its Articles and Bylaws as amended or otherwise altered to date, certified by the Secretary, which shall be open to inspection by Directors at all reasonable times during office hours.

8.9 Inspection by Public. In accordance with Section 6104 of the Internal Revenue Code of 1986, as amended, copies of the Foundation's application for tax exemption and any papers submitted in support of such application shall be made available by the Foundation for inspection at the request of any individual during regular business hours at the Foundation's principal place of business and at any regularly maintained regional or district office of the Foundation having three or more employees.

8.10 Nondiscrimination. The Foundation shall not refuse service or employment to any person, nor in any other way discriminate against any person, solely because of such person's sex, race, color, religion, creed, ancestry, national origin, age, marital status, physical disability, mental disability, preexisting medical condition, or any other factor prohibited by law.

8.11 Interpretation and Construction. Any conflict between these Bylaws and the Articles shall be resolved in favor of the Articles. 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.

8.12 Dissolution. The Foundation shall not be voluntarily dissolved, except by approval of the Board. In the event of dissolution of the Foundation in any manner and for any cause, after the payment or adequate provision for the payment of all of its debts and liabilities, all of the remaining funds, assets and properties of the Foundation shall be paid or distributed as provided for in the Articles of Incorporation.

8.13 Rules of Order. Robert's Rules of Order shall be the nonbinding guide of all proceedings of the Board and all Committees. Failure to follow Robert's Rules of Order at any meeting shall not affect the validity of any corporate action otherwise in compliance with the CCC and this Foundation's Articles, Bylaws, and applicable corporate resolutions.

8.14 Job Descriptions and Policies. Notwithstanding any other provision in these Bylaws to the contrary, the Board may, at its option, implement job descriptions and policies for Directors, committee members, officers, and other employees.

ARTICLE IX

AMENDMENT

9.1 Amendment of Articles. The amendment of the Articles of Incorporation of the Foundation is provided for by California state law and requires the unanimous consent of the Directors and the filing of a certificate of amendment in the Office of the Secretary of State.

9.2 Amendment of Bylaws. The amendment of Bylaws is provided for by California state law and generally requires approval of the Board pursuant to these Bylaws.

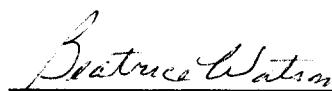
CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of FONTANA COMMUNITY FOUNDATION, a California nonprofit public benefit corporation ("Foundation"); and

2. That the foregoing Bylaws, comprising fifteen (15) pages, constitute the Bylaws of said Foundation, as duly approved by the Board of Directors of said Foundation at a meeting duly held on 11/15, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Foundation this 15th day of November, 2005.



Secretary