

BYLAWS

MENDOCINO COUNTY TOURISM COMMISSION, INC. A California Nonprofit Public Benefit Corporation

ARTICLE I

Section 1.1. Name. The name of this Corporation is MENDOCINO COUNTY TOURISM COMMISSION, INC. ("MCTC"), a California nonprofit public benefit corporation. It is incorporated under the laws of the State of California and shall observe all local, state and national laws which apply to nonprofit organizations as defined in Section 501(c)(6) of the Internal Revenue Code. The Corporation shall follow all requirements under the Ralph M. Brown Act, California Government Code, and Section 54950, et seq. (the "Brown Act").

Section 1.2. Principal Office. The principal office for the transaction of the activities and affairs of this Corporation is located at 345 North Franklin Street, Fort Bragg, CA 95437 in the County of Mendocino, State of California. Any change of location must be noted by the Secretary on these Bylaws opposite this Section; alternatively, this Section may be amended to state the new location. The Board of Directors ("Board") may at any time establish branch or subordinate offices at any place or places where this Corporation is qualified to conduct its activities.

Section 1.2. Principal Office. The principal office for the transaction of the activities and affairs of this Corporation is located at 105 W. Clay Street, Ukiah, CA 95482 in the County of Mendocino, State of California. Any change of location must be noted by the Secretary on these Bylaws opposite this Section; alternatively, this Section may be amended to state the new location. The Board of Directors ("Board") may at any time establish branch or subordinate offices at any place or places where this Corporation is qualified to conduct its activities.

ARTICLE 2

Purpose

This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for public and charitable purposes. The specific purpose of this Corporation is to promote business improvements and activities that benefit businesses within Mendocino County, including but not limited to promoting tourism through marketing of hotels and lodging businesses in Mendocino County and related products including scenic, recreational, cultural and other attractions in Mendocino County. Promotion of businesses includes, but is not limited to, those activities set forth in the California Parking and Business Improvement Area Law of 1989, California Streets and Highways Code, Section 36500, et seq., as amended from time-to-time; and the Mendocino County Code, Chapter 5.140 of Title 5, Ordinance 4170 as amended by Ordinance No. 4336, (the "Bid Ordinance"). The recital of these purposes as contained in this paragraph is intended to be exclusive of any and all other purposes, this Corporation being formed for such public purposes only.

ARTICLE 3

Irrevocable Dedication of Assets

This Corporation's assets are irrevocably dedicated to promotion and marketing of Mendocino County and Mendocino County businesses. 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, as directed by the County of Mendocino Board of Supervisors, that is organized and operated exclusively for the public purposes stated herein and that has established its exempt status under Internal Revenue Code, Section 501(c)(6). If no such nonprofit organization exists, all such net earnings, properties and assets shall be distributed to the County of Mendocino.

ARTICLE 4

Membership

Section 4. Members. The Corporation shall have no members not within the meaning of the Nonprofit Corporation Law. Any action that would otherwise require approval by a majority of all members, shall only require approval of the Board. All rights that would otherwise vest in the members shall vest in the Board.

ARTICLE 5

Directors

Section 5.1. Powers. Subject to limitation of the California Corporation Code ("Corporation Code") and any other applicable laws, and subject to any limitations of the Articles and these Bylaws, all the activities and affairs of the Corporation shall be managed, and all corporate powers shall be exercised by or under the direction of the Board of Directors. Without prejudice to these general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

- (a) To select and remove all the Officers, Agents ("Agents" shall mean any person duly authorized by the Board of Directors to act on behalf of the Corporation and to bind the Corporation) and key employees, i.e., Executive Director ("Executive") of the Corporation, 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.
- (b) Change the principal office or the principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities in or outside California; and designate a place in or outside California for holding any meeting of members.

(c) To make disbursements from the funds and properties of the Corporation as are required to fulfill the purposes of the Corporation as are more fully set out in the Articles of Incorporation and generally to conduct, manage, and control the activities and affairs of the Corporation and to make rules and regulations not inconsistent with law, with the Articles of Incorporation, or with these Bylaws, as the may deem best.

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

(e) To borrow money and incur indebtedness for the purposes of the Corporation and to execute and deliver, in the Corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities.

Section 5.2. Number of Directors. The authorized number of Directors of the Corporation shall be eleven (11) until changed by an amendment of the Articles of Incorporation or by an amendment to these Bylaws. An amendment to the Articles of Incorporation or of these Bylaws amending the number, or manner of election or appointment of Directors shall not be made unless the Bid Ordinance is first amended. Any amendment relating to number and election or appointment of Directors shall be in conformity with the BID Ordinance in effect.

Section 5.3. Selection and Tenure of Office. Directors shall be elected and appointed as follows:

(a) Five (5) lodging Directors, *in good standing*, shall be elected in a Mendocino County conducted election, as specified in the Bid Ordinance, Section 5.140.250, and serve as follows:

(i) One (1) member elected by and from all Large Lodging Operators with an initial term of three (3) years;

(ii) One (1) member elected by and from coastal region all Large Lodging Operators with an initial term of one (1) year;

(iii) One (1) member elected by and from inland region all Large Lodging Operators with an initial term of two (2) years;

(iv) One (1) member elected by and from all Medium Lodging Operators with an initial term of two (2) years;

(v) One (1) member elected by and from all Small Lodging Operators with an initial term of three (3) years.

(b) Six (6) non-lodging Directors shall be appointed by the Mendocino County Board of Supervisors, as specified in the Bid Ordinance, Section 5.140.250 from applicants or nominees as follows:

(i) One (1) member nominated by and from a Mendocino County coastal region Chamber of Commerce or other Mendocino County coastal region promotional organization, for an initial term of three (3) years;

- (ii) One (1) member nominated by and from a Mendocino County inland region Chamber of Commerce or other Mendocino County inland region promotional organization, for an initial term of two (2) years;
- (iii) One (1) member nominated by and from a Mendocino County winery or Mendocino County winegrower organization, with an initial term of three (3) years;
- (iv) One (1) member nominated by and from a Mendocino County arts organization, or Mendocino County attraction governing Board or individual attraction, for an initial term of two (2) years;
- (v) One (1) member who applies from a Mendocino County food or beverage business, including culinary, beer or other spirits, for an initial term of one (1) year; and
- (vi) One (1) at-large member for an initial term of one (1) year.

Each Director shall serve for the initial term specified above, and until a successor has been elected or appointed, and qualified to serve. Thereafter, each Director shall serve for a term of three (3) years and until a successor has been elected or appointed and qualified to serve, so that terms are staggered and no less than three (3) and no more than four (4) Directors are elected or appointed in any one (1) year, except to fill a vacancy as provided herein. Each Director shall be subject to a term limit of two (2) terms, however, any Director who has served less than one-half (1/2) of a full term may serve an additional two (2) terms if duly elected or appointed. Previous Directors shall be ineligible to serve for a period of three (3) years after being termed out, after which period such Director may be eligible to serve again the same as any other Board member.

Section 5.4. Qualifications. Each Director shall be required to submit a resume showing relevant experience, complete a questionnaire demonstrating their interest and commitment to promoting Mendocino County, and agree to actively participate in governing Board meetings, committees, training and other scheduled Board activities.

Section 5.5. Vacancies. Subject to the provisions of Corporations Code, Section 5226, any Director may resign effective on giving written notice to the Chair of the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is to take effect at some future time, a successor may be selected before that time, to take office when the resignation becomes effective.

A vacancy or vacancies on the Board of Directors shall occur in the event of: (1) the death, removal, or resignation of any Director; (2) the declaration by Board resolution of a vacancy in the office of a Director who has been declared of unsound mind by a court order, convicted of a felony, or, if the Corporation holds assets in charitable trust, found by a final order or judgment of any court to have breached a duty arising under Corporations Code, Section 5230, *et seq.*; or (3) an increase in the authorized number of Directors.

Vacancies in the Board shall be filled in the same manner as the Director or Directors whose office is vacant was selected. The Mendocino County Board of Supervisors shall publicly notice any and all vacancies and shall actively encourage multiple nominations for each open seat. All vacancies shall be

filled with a goal of providing the Corporation with the highest qualified candidates and for geographical diversity in Directors. All vacancies in the Board shall be filled at the earliest practicable time possible.

Section 5.6. Removal. Any elected Director may be removed, with or without cause, by a vote of at least two-thirds (2/3) of the seated Board of Directors (a minimum of eight (8) of eleven (11) Directors if a full Board is seated at the time of removal), with the contested Director unable to vote. Any appointed Director may be removed, with or without cause, by a vote of at least two-thirds (2/3) of the seated Board of Directors (a minimum of seven (7) of eleven (11) Directors) and with the written consent of the County of Mendocino.

Any Director who does not attend three (3) successive Board meetings will automatically be removed from the Board without Board resolution unless:

- (a) 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 (1) in determining whether a quorum is or is not present;
- (b) The Director suffers from an illness or disability which prevents him or her from attending meetings and the Board by resolution waives the automatic removal procedure of this subsection; or
- (c) The Board, by resolution of the majority of Board members, agrees to reinstate the Director who has missed three (3) successive meetings.

Any Directors hotel (lodging establishment) must be in good standing by being current with all TOT and BID payments. Current is defined as not being reported on the latest Treasurer-Tax Collector's Delinquent Report. This also includes operating under all required county and/or city licenses and permits. Any lodging Directors hotel found to be out of compliance, based on the above requirements, will have all benefits and privileges revoked. Privileges will be reinstated at such time as they are back in compliance which must be within 90 days. Compliance will be reported to MCTC by the County of Mendocino Treasurer-Tax Collector.

Section 5.7. Meetings.

- (a) Regular meetings of the Board shall be held at a time and place to be determined by the Board of Directors, within the County of Mendocino, unless otherwise permitted under the Ralph M. Brown Act, California Government Code, Section 54950, *et seq.* The Board of Directors shall hold a minimum of six (6) meetings annually. Meetings shall be held each month, with fifty percent (50%) of said meetings to be held in locations in the coastal region of Mendocino County and fifty percent (50%) of said meetings to be held in the inland region of Mendocino County. Notice and a posting of the agenda for all such meetings shall be given at least seventy-two (72) hours in advance of the meeting in accord with the provisions of the Brown Act.
- (b) Special meetings of the Board of Directors may be called at any time by order of the Chair of the Board, or by written notice from a majority of the Board of Directors to the Chair of the Board, which written notice may be by electronic transmission (i.e., e-mail). Upon written notice by a majority of the Board of Directors, the Chair of the

Board shall notice such meeting to be held within two (2) business days of receipt of written notice, and the meeting shall be held no later than seven (7) business days after receipt of said notice by the Chair of the Board. 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. Notice of meeting and posting of an agenda for all such meetings shall occur at least twenty-four (24) hours prior to such meeting.

(c) In the event of an emergency, as defined in California Government Code, Section 54956.5, the Chair of the Board, or a majority of the Directors, may call an emergency meeting. Such meeting shall conform to all requirements of Government Code, Section 54956.5, including but not limited to notice, minutes and reporting of actions taken.

(d) The Board shall hold an Annual Meeting at the first regularly scheduled meeting of each new fiscal year (July). At such meeting the Board shall elect Officers for the fiscal year as well as schedule annual training and orientation for the Board to take place no more than ninety (90) days from Annual Meeting.

Section 5.8. Telecommunication. Any Board meeting may be held by conference telephone, video screen communication, or other communications equipment. Agendas shall be posted at each teleconference location in accord with the Brown Act, and at least a quorum of the Board of Directors shall participate from locations within the County of Mendocino. Participation in a meeting under this Section shall constitute presence in person at the meeting if both the following apply: (1) each member participating in the meeting can communicate concurrently with all other members; and (2) 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. All votes taken at a teleconferenced meeting shall be by roll call. Notice of all such meetings and the agendas for such meetings shall include each teleconference location and shall be accessible to the public.

Section 5.9. Open and Public Meetings. The Board shall comply with the Brown Act, California Government Code, Section 54950, *et seq.*, as amended from time-to-time, and all meetings, unless specifically excepted under the Brown Act, shall be duly noticed and agendized in accord with the Brown Act, and shall be open to the public, with time allotted for public comment. To the extent any provisions of these Bylaws are inconsistent with the Brown Act, the provisions of the Brown Act shall prevail.

Section 5.10. Action Without Meeting. The Board shall not take action without a meeting.

Section 5.11. Quorum. A majority of the authorized number of Directors, fifty percent (50%), plus one (1), shall constitute a quorum for the transaction of any business except adjournment. Every action taken, or decision made by a majority of the Directors present, at a duly held meeting at which a quorum is present, shall be an act of the Board, subject to the more stringent provisions for the California Nonprofit Public Benefit Corporation Law.

Section 5.12. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of adjournment shall be given and posted in compliance with the Brown Act.

Section 5.13. Conflict of Interest. The Corporation's intention is to comply with California Corporations Code, Section 7230-7238, inclusive, and all applicable laws concerning Internal Revenue Code 501(c)(6) nonprofit corporations, and additionally to take all necessary steps to avoid even the appearance of a conflict of interest. To that end, if a Director has a direct or indirect material interest arising from a specific Board action under consideration, the Director shall: (1) disclose such conflict in advance of discussion on the matter; (2) physically remove himself or herself from the meeting during such discussion; (3) abstain from voting on the matter; and (4) refrain from discussing the matter with other Directors.

Section 5.14. Compensation. Directors shall serve as volunteers and shall not be compensated, with the exception of reasonable expenses requested for reimbursement with appropriate documentation.

Section 5.15. Voting. Each Director may cast one vote on any question or proposition to be voted on at a meeting. Votes may not be cast by proxy.

ARTICLE 6

Committees

Section 6.1. Executive Committee. The Executive Committee ("Committee") shall be comprised of five (5) members; the four (4) Officers of the Corporation, the Chair of the Board, the Vice-Chair, the Secretary, the Treasurer, and a fifth member of the Board which shall be selected by a majority vote of the Board of Directors of the Corporation. The Chair of the Board shall act as Chair of the Committee.

The Committee shall exercise the powers of the Board of the Corporation in relationship to matters that arise between regularly scheduled Board meetings. The Committee shall be delegated the authority to act in the name of the Board when exercising the powers and authority under these Bylaws; and may not act contrary to these Bylaws to change the basic powers of the Board of Directors.

Meetings of the Committee may be called by the Chair of the Board in circumstances which requires immediate action fundamental to the interests of the Corporation; or by request from a Board member in writing to the Chair of the Board, specifying the reason(s) for such action to be taken. The Chair of the Board has the authority to determine the validity of cause for calling a Committee meeting and shall within forty-eight (48) hours from receipt of such request, notify the Board of Directors of said request and decision for the action taken. Committee meetings shall conform to all requirements of the Government Code, Section 54956.5, including but not limited to notice, minutes and reporting of actions taken.

Section 6.2. Standing Board Committees. Standing Committees of the Board may be appointed, or dissolved, by resolution passed by a majority of the whole Board. All Standing Committees shall have a Chair and shall make regular reports to the Board of Directors regarding their actions. Each Committee shall have only one (1) purpose designated to it by these Bylaws or by resolution of the Board.

(a) The Chair of the Board shall have authority to appoint members to any Standing Committee if all seats on said Committees are not filled by volunteers. For those Standing Committees comprised of more than three (3) members and which remain without an elected Chair by Committee members, the Chair of the Board shall have authority to appoint a Chair of said Standing Committee.

(b) All Standing Committees shall meet as needed, and all such meetings shall be in compliance with the Brown Act. The Committee Chair shall determine the schedule of all such meetings, unless otherwise directed by the Chair of the Board.

(c) All such Committees shall only have the authority conveyed to it by these Bylaws or by resolution of the Board. Committees may deliberate and provide recommendations to the Board for approval, but may not take final action on any matter pursuant to the California Nonprofit Public Benefit Corporation Law, requiring approval of a majority of the Directors; and are required to make regular reports to the Board of Directors regarding their actions.

(d) The following Standing Committees have been established:

(i) Finance. The Finance Committee shall be composed of a total of three (3) voting Directors of the Corporation, with a preference for Directors with financial experience, including but not limited to service as Treasurer for other organizations. The Committee shall be chaired by the Treasurer of the Corporation. The Executive or its designee of the Corporation shall attend all Finance Committee meetings as a non-voting member to provide staff support. The Committee shall be responsible for informing and advising the Board in the fulfillment of its financial duties and obligations, including but not limited to preparing and reviewing budgets and financial statements, and for selecting a Certified Public Accountant to perform financial reviews and audits.

(ii) Personnel. The Personnel Committee shall be composed of a total of three (3) voting Directors of the Corporation and shall be chaired by the Chair of the Board. The Executive or its designee of the Corporation shall attend all Personnel Committee meetings as a non-voting member to provide staff support. The Committee shall be responsible for advising and making recommendations to the Board in fulfillment of its duties and obligations, including but not limited to the evaluation of the performance of the Executive, establishing compensation and benefits for the Executive position and determining annually changes as appropriate, to said compensation, and, upon request, assisting the Executive in determining the Corporation's staffing needs, and in creating job descriptions and determining compensation for all staff.

(iii) Organizational Development. The Organizational Development Committee shall be composed of a total of three (3) voting Directors of the Corporation and shall be chaired by the Vice-Chair of the Board of Directors. The Executive or its designee of the Corporation shall attend all Organizational Development Committee meetings as a non-voting member to provide staff support. The Committee shall be responsible for informing and advising the Board in the fulfillment of the Board's duties and obligations, for establishing the process for recruitment and selection of at-large Committee members, for planning the Annual Meeting and annual training and orientation of Board

members, executing an Annual Community Communications Plan, and upon request, assisting the County in recruiting the Corporation's potential, future Board members.

(iv) Marketing. The Marketing Committee shall be composed of a maximum of eight (8) members as follows: seven (7) voting members comprised of a minimum of one (1) and a maximum of three (3) Director(s) of the Corporation; with the remaining seats to be members at-large. The Executive or its designee of the Corporation shall attend all Marketing Committee meetings as a non-voting member to provide staff support. The Marketing Committee Chair shall be elected by a majority of the Committee members. The Committee shall be responsible for advising and making recommendations to the Board in the fulfillment of its duties and obligations regarding all marketing activities and issues, including but not limited to advertising, public relations and website activities, with the exception of those services which have been delegated to other MCTC Standing or Ad Hoc Committees; or to subcontractors or third parties.

(v) Visitor Services. The Visitor Services Committee shall be composed of a maximum of eight members as follows: seven (7) voting members comprised of a minimum of one (1) and a maximum of three (3) Directors(s) of the Corporation; with the remaining seats to be members at-large. The Executive or its designee of the Corporation shall attend all Visitor Services Committee meetings as a non-voting member to provide staff support. The Visitor Services Committee Chair shall be elected by a majority of Committee members. The Committee shall be responsible for advising and making recommendations to the Board in the fulfillment of its duties and obligations regarding all activities, including partnerships and sales efforts as they relate to the serving of visitors Countywide.

(vi) Festival. The Festival Committee shall be composed of a maximum of eight (8) members as follows: seven (7) voting members comprised of a minimum of one (1) and a maximum of (3) Directors(s) of the Corporation; with the remaining seats to be members at-large. The Executive or its designee of the Corporation shall attend all Festival Committee meetings as a non-voting member to provide staff support. The Festival Committee Chair shall be elected by a majority of Committee members. The Committee shall be responsible for advising and making recommendations to the Board in fulfillment of its duties and obligations regarding all activities, including partnerships as they relate to Visit Mendocino County festivals and events.

Section 6.3. Ad Hoc Committees. The Board Chair, with the concurrence of the Board of Directors, has the authority to establish *Ad Hoc* Committees and to appoint its members. These Committees shall be for a prescribed period of time. It is at the discretion of the Board to establish both the duration of time and the duties of said Committees.

Section 6.4. Limitation of Powers of Committees. Committees shall have the powers of the Board as may be expressly delegated to it by resolution of the Board of Directors, except with respect to: (a) the filling of vacancies on the Board or on any Committee; (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 other Committees of the Board of the members thereof; (f) the expenditure of Corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; or (g) the approval of any self dealing transaction, as these transactions are defined in Corporations Code Section 5233. Any Committee which has members at-large who are not Directors shall not have powers of the Board.

ARTICLE 7

Officers

Section 7.1. Officers. The Officers of the Corporation shall be a Chair of the Board, a Vice-Chair, a Secretary, and a Treasurer. A Director shall only be eligible for service as an Officer after at least one (1) year of service as a Director. This rule shall take effect only after the first full year of the Corporation's activities. All Officers shall be voting members of the Board and shall be signatories to the Corporations bank accounts.

Section 7.2. Election. The Officers of the Corporation, except those Officers as may be appointed in accordance with the provision in Section 7.4 of this Article, shall be chosen annually by, and shall serve at the pleasure of, the Board of Directors, subject to the rights, if any, of an Officer under any contract of employment. Each Officer shall hold his or her office until he or she resigns, is removed, or becomes otherwise disqualified to serve, or until his or her successor is elected and qualified.

Section 7.3. Removal and Resignation. Any Officer may be removed, either with or without cause, by a two-thirds (2/3) majority vote of the Directors at the time in office, at any regular or special meeting of the Board.

Any Officer may resign at any time, without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party, by giving written notice to the Board of Directors, or to the Chair of the Corporation. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 7.4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in the Bylaws for regular election or appointment to that office, provided that the vacancies shall be filled as they occur and not on an annual basis.

Section 7.5. Inability to Act. In the case of absence or inability to act of any Officer of the Corporation of any person authorized by these Bylaws to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of the Officer to any other Officer, or any Director or other person whom the Board may select.

Section 7.6. Chair of the Board. The Chair of the Board shall, if present, preside at all meetings of the Board of Directors, call special Board meetings when necessary, sign all correspondence in the name of the Board, and be authorized to represent the Corporation for purposes of interacting with all governmental bodies, contractors, and third parties. The Chair shall, subject to the control of the Board of Directors, have general supervision, direction and control of the activities and Officers of the Corporation. The Chair shall be ex-officio a member of all the Standing Committees and shall have the general powers and duties of management usually vested in the office of a President of a Corporation,

and shall have such other powers and duties as may be prescribed by the Board of Directors or the Bylaws. Only Directors with at least one (1) year of service as an Officer (other than Chair) shall be eligible to serve as Chair. The Chair shall serve no more than three (3) years consecutively.

Section 7.7. Vice Chair. In the absence or disability of the Chair, or in the event of a conflict of the Chair preventing the Chair's participation, the Vice Chair shall perform all duties of the Chair, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Chair. The Vice Chair shall have other powers and perform other duties as from time to time may be prescribed for them respectively by the Board of Directors or the Bylaws.

Section 7.8. Secretary. The Secretary shall keep, or cause to be kept, a book of minutes at the principal office or other place as the Board of Directors may order, of all meetings of the Board and its Committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice of the meeting given, the names of those present at the Board and Committees' meetings, and the proceedings of the meetings. The Secretary shall keep, or cause to be kept, at the principal office in the State of California, the original and a copy of the Corporation's Articles and Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and any Committees of the Board required by these Bylaws and shall have other powers and perform other duties as prescribed by the Board.

Section 7.9. Treasurer. The Treasurer shall be the Chief Financial Officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation. The books of account shall at all reasonable times be open to inspection by any Director at the official address on file with the State. The Treasurer shall oversee all funds and accounts of the Corporation, causing to be deposited all monies and other valuables in the name and to the credit of the Corporation with depositories designated by the Board of Directors. The Treasurer shall cause to be disbursed the funds of the Corporation as may be ordered by the Board of Directors. The Treasurer shall oversee compliance with all budgets, and shall be responsible for ensuring that all audits are conducted as necessary. The Treasurer shall have other powers and perform other duties as may be prescribed by the Board of Directors. The Treasurer shall also serve as the Chair of the Finance Committee.

ARTICLE 8

Executive Director

Section 8.1. Appointment of Executive Director. The Board shall appoint an Executive Director ("Executive"), or such other position as it may deem necessary, for day-to-day operation and management of the Corporation, including but not limited to:

- (a) Ensuring preparation and execution of an annual Marketing Plan and Budget as approved by the Board, and maintaining and overseeing the daily business operations of the Corporation;
- (b) Negotiating and entering into contracts with consultants and outside services, as necessary for fulfillment of all duties and responsibilities of the Executive as specified in these Bylaws and in the operative Employment Agreement between

the Executive and the Board;

(c) Maintaining adequate staff, with responsibility and authority to hire and terminate as necessary, to assist in fulfillment of all duties and responsibilities the Executive as specified in these Bylaws and in the operative Employment Agreement between the Executive and the Board;

(d) Paying or causing to be paid all obligations of the Corporation under the direction and supervision of the Treasurer;

(e) Supporting the Secretary by ensuring that the minutes and records of the Corporation are properly prepared, maintained and dispersed;

(f) Representing the Corporation to the County, region; State; and beyond; and

(g) Serving as a non-voting ex officio member of the Board of Directors, except as specifically excluded by the Board of Directors or Chair of the Board.

Section 8.2. Compensation and Term. The compensation, term and termination of the Executive shall be pursuant to a written Employment Agreement between the Executive and the Corporation, the terms of which Agreement shall be negotiated from time-to-time as necessary, between the Executive and the Personnel Committee, subject to approval by the Board. The terms and conditions of the Employment Agreement shall be based on the needs of the Corporation to fulfill its purpose as stated herein, and established goals, as determined by the Board of Directors.

ARTICLE 9

Other Provisions

Section 9.1. Endorsement of Documents; Contracts. Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing, and any assignment or endorsement thereof, executed or entered into between this Corporation and any other person, when signed by the Chair of the Board or Executive on behalf of the Board of Directors of this Corporation shall be valid and binding on this Corporation.

Section 9.2. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

Section 9.3. Amendments. These Bylaws may be amended or repealed in whole or in part, and new Bylaws may be adopted by the Board of Directors, so long as such amendment or new Bylaws do not conflict with the Mendocino County BID Ordinance No. 4170 as such ordinance may be amended from time-to-time. Written notice of any proposed amendment to the Bylaws shall be given to the Board of Directors at least ten (10) days in advance of any regularly scheduled Board meeting. A two-thirds (2/3) majority of the filled Board seats is required to amend these Bylaws.

ARTICLE 10

Indemnification of Agents of the Corporation

Section 10.1 Indemnification. To the fullest extent permitted by law, this Corporation shall indemnify its Directors and Officers, and may indemnify employees and other persons described in Corporations Code, Section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding" as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this Bylaw shall have the same meaning as in that section of the Corporations Code.

Upon written request to the Board by any person seeking indemnification under Corporations Code, Section 5238(b) or (c), the Board shall promptly decide under Corporations Code, Section 5238(e) whether the applicable standard of conduct set forth in Corporations Code, Section 5238(b) or (c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification, because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board shall promptly notify the Board of Supervisors of the County of Mendocino, who shall make a determination as to whether the applicable standard of conduct has been met, and, if so, shall authorize indemnification.

Section 10.2. Other Indemnification. No provision made by the Corporation to indemnify its or its subsidiary's Directors or Officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of Directors, an agreement or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article shall affect any right to indemnification to which persons other than the Directors and Officers may be entitled by contract or otherwise.

Section 10.3. Forms of Indemnification Not Permitted. No indemnification or advance shall be made under this Article, except as provided in Section 8.1 in any circumstances where it appears:

- (a) That it would be inconsistent with a provision of the Articles of Incorporation, these Bylaws, a resolution of the Directors or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limited indemnification; or
- (b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 10.4. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any Agent of the Corporation against any liability asserted against or incurred by the Agent in the capacity as an Agent or arising out of the Agent's status as an Agent whether or not the Corporation would have the power to indemnify the Agent against the liability under the provisions of this Article; provided, however, that this Corporation shall have no power to purchase and maintain insurance to indemnify any Agent of the Corporation for a violation of Corporations Code, Section 5233.

ARTICLE 11

Receipt, Investment, and Disbursement of Funds

Section 11.1. The Corporation shall receive all monies other properties or both monies and properties, transferred to it for the purpose for which the Corporation was formed (as shown by the Articles of the Corporation).

Section 11.2. The Corporation shall hold, manage, and disburse any funds or properties received by it from any source in a manner that s consistent with the expressed purposes of this Corporation.

Section 11.3. All checks, drafts, demands for money and notes of the Corporation, and all written contracts of the Corporation shall be signed by the Officer or Officers, Agent or Agents, as the Board of Directors may from time to time by resolution designate.

ARTICLE 12

Corporate Records and Reports

Section 12.1. Records. The Corporation shall maintain adequate and correct accounts, books and records of its business and properties.

Section 12.2. Inspection of Books and Records. Every Director shall have the absolute right at any reasonable time to inspect all books, records, documents of every kind, and the physical properties of the Corporation, and also of its subsidiary organizations, if any.

ARTICLE 13

Dissolution

On dissolution of the Corporation, the Board of Directors shall cause the assets herein to be distributed to another corporation approved by the Mendocino County Board of Supervisors with purposes similar to that identified in the Articles of Incorporation, and Article 2 of these Bylaws. If no such Corporation is designated, the Board of Directors shall cause the assets herein to be distributed to the County of Mendocino.

CERTIFICATE OF SECRETARY

I, the undersigned, being the Secretary of MENDOCINO COUNTY TOURISM COMMISSION, INC., hereby certify that the above Bylaws consisting of fourteen (14) pages were adopted as the Bylaws of this Corporation in a regularly called meeting, effective _____, 2018. These Bylaws are, as of the date of this certification, the duly adopted and existing Bylaws of this Corporation.

IN WITNESS WHEREOF, I have set my hand this _____ day of _____, 2018.

Jo Bradley, Secretary

