

**Bylaws of
Downtown Roseville Partnership
A California Nonprofit Mutual Benefit Corporation**

**ARTICLE I
NAME AND PRINCIPAL OFFICE**

Section 1: Name and Principal Office. The name of the corporation is Downtown Roseville Partnership (“DRP” or “Corporation”). The principal office for the transaction of the affairs and activities of this Corporation shall be located the City of Roseville, California. The Directors may change the principal office from one location to another.

Section 2: Other Offices. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

**ARTICLE II
PURPOSE**

The purpose of this Corporation shall be to manage the implementation of the DRP and to do all things related to, incidental to, or in furtherance thereof.

**ARTICLE III
LIMITATIONS**

Section 1: Assets. This Corporation is not organized, nor shall it be operated, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits or dividends of its Directors and is organized solely for nonprofit purposes. No part of the profits or net income of this Corporation shall ever inure to the benefit of any Director, officer or to any individual. Upon the dissolution or winding up of the Corporation, after payment of, or provision for payment of, all debts and liabilities of this Corporation, the remaining assets shall be distributed to a nonprofit fund, foundation or corporation which has been formed to provide benefits or services for the downtown Roseville area and which has established its tax exempt status under §501(c) of the Internal Revenue Code. If no such corporation as described above is in existence at the time of dissolution, then the remaining assets shall be distributed to a nonprofit fund, foundation or corporation, which has established its tax-exempt status under §501(c) of the Internal Revenue Code.

Section 2: Construction. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Mutual Benefit Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes feminine and neuter, the singular includes the plural, the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

ARTICLE IV

MEMBERS

Section 1: Definitions. This Corporation shall have no members within the meaning of the California Nonprofit Corporation Law, pursuant to Corporation Code §7332(a).

Section 2: Non-Voting Members. The Corporation's Board of Directors may, in its discretion, admit individuals to one or more classes of non-voting members; the class or classes shall have such rights and obligations as the Board finds appropriate.

ARTICLE V DIRECTORS

Section 1: Number. The Corporation shall have no less than seven (7) but no more than eleven (11) Directors. Each Director shall have one vote. A reduction in the number of Directors shall not result in any Directors being removed before his or her term of office expires.

Section 2: Tenure. Each Director of the Corporation shall serve for a term of three (3) years ending on January 1st of the specified year. A Director shall not be elected to more than two (2) consecutive three (3) year terms; provided, however, that after completion of two (2) consecutive three (3) year terms in office, a Director may be re-elected to the Board after a lapse of one (1) year. The aforementioned term limits shall not apply to the City of Roseville representative.

Section 3: Initial Appointment. The initial Directors of the Board shall be appointed by the incorporator of the Corporation. Beginning with the appointment of the initial Board of Directors, two (2) of the Directors shall be nominated for an initial term of one (1) year expiring December 31, 2015, two (2) shall be nominated for an initial term of two (2) years expiring December 31, 2016, and remaining directors shall have a term of three (3) years expiring December 31, 2017.

Section 4: Qualifications of Directors. Every reasonable effort will be made to select seven (7) Directors representing the property owners in Downtown Roseville Partnership which shall consist of the following:

- A. Assessed property owners located on Vernon Street residing east of Taylor Street;
- B. Assessed property owners located on Vernon Street residing west of Taylor Street;
- C. One (1) City of Roseville representative;
- D. One (1) representative appointed by the Downtown Roseville Merchants Inc.;
- E. Assessed property representatives located outside of Vernon Street; and
- F. Two (2) "at large" assessed property owner representatives.

Section 5: Annual Election. Election of Directors shall take place at the annual meeting of the Corporation. Directors shall be elected by the Board.

Section 6: Powers. Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law, the provisions of the Downtown Roseville Property and Business Improvement District ("DRPBID") Management District Plan, and any other applicable laws, and subject to any limitations of the Articles of Incorporation and these Bylaws, the Corporation's

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

Section 7: Specific Powers. Without prejudice to the general powers set forth in Article V, Section 6 of these Bylaws, but subject to the same limitations, the Board shall have the power to do the following:

- A. 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.
- B. Change the principal office or the principal business office in the City of Roseville 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 the City of Roseville for holding any meeting of the Board.
- C. 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 evidence of debt and securities.

Section 8: Occurrence of Vacancies. A vacancy or vacancies on the Board shall occur in the event of:

- A. The death, removal or resignation of any Director; or
- B. The declaration by resolution of the Board of a vacancy in the office of a Director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty arising under Corporations Code §7238, the DRPBID Management District Plan, or other applicable laws; or
- C. An increase in the authorized number of Directors; or
- D. The failure of an election to elect the number of Directors required to be elected in that election; or
- E. A Director missing three meetings in a row and an affirmative vote by the remaining Directors to remove the absent Director; or
- F. A Director no longer meeting the qualifications in Section 4 of this Article.

Section 9: Filling Vacancies. 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 either:

- A. The affirmative vote of a majority of Directors then in office at a meeting held according to the notice provisions of these Bylaws and the Ralph M. Brown Act; or
- B. A sole remaining Director.

A Director elected to fill a vacancy on the Board of Directors shall serve for the duration of the unexpired term of his or her predecessor and until his or her successor is elected.

Section 10: Resignation of Directors. Except as provided in this paragraph, any Director may resign, and their resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Directors unless a notice specifies a later time for the resignation to become effective. If the resignation of a Director is effective at a future time, the Board of Directors

may elect a successor to take office as of the date when resignation becomes effective. No Director may resign when the Corporation would then be left without a duly elected Director or Directors in charge of its affairs.

Section 11: Removal of Directors. Any Director may be removed, with or without cause, by the vote of the majority of the entire Board of Directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given as provided in Article VI.

Section 12: Compensation and Reimbursement. Directors shall serve as volunteers and shall not be compensated. Directors may be reimbursed for expenses, as the Board may establish by resolution to be just and reasonable to the Corporation at the time that the resolution is adopted.

Section 13: Advisors. At its discretion, the Board may designate individuals to serve as advisors to the Board. Advisors shall receive notice of meetings in the same manner as Directors, but shall not be considered Directors for any purpose including voting. Advisors shall serve for such terms as determined by the Board and may be removed by the Board at any time.

Section 14: Contracts with Directors. A mere common Directorship does not constitute a material financial interest within the meaning of this Section. No contract or other transaction between the Corporation and one or more of its Directors, or between the Corporation and any domestic or foreign corporation, firm or association in which one or more of the Corporation's Directors has a material financial interest, is either void or voidable because such Director or Directors or such other corporation, business corporation, firm or association are parties or because such Director or Directors are present at the meeting of the Board or a Committee thereof which authorizes, approves or ratifies the contract or transaction if:

- A. The material facts as to the transaction and as to such Director's interest are fully disclosed or known to the Board of Directors and such contract or transaction is approved by the Board of Directors in good faith, with any membership owned by any interested Director not being entitled to vote thereon;
- B. The material facts as to the transaction and as to such Director's interest are fully disclosed or known to the Board or Committee, and the Board or Committee authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the interested Director or Directors and the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified; or
- C. As to contracts or transactions not approved as provided in A or B above, the person asserting the validity of the contract or transaction sustains the burden of proving that the contract or transaction was just and reasonable as to the Corporation at the time it was authorized, approved, or ratified.

ARTICLE VI MEETINGS

Section 1: Annual Meeting. The annual meeting of the Corporation shall be held at such time in December as the Board may fix from time to time. At the annual meeting, Directors and officers shall be elected and other business may be transacted, subject to the provisions of these Bylaws. Notice of the annual meeting shall be posted at least seventy-two hours prior to the meeting in a publicly accessible location, in accordance with the requirements of the Ralph M. Brown Act. Each notice shall state the general business to be transacted, and the day, time and place of the meeting.

Section 2: Board of Directors Regular Meetings. There shall be a minimum of six (6) regular meeting held annually. Other regular meetings of the Board of Directors shall be held at such time as shall be fixed by the Board of Directors. Notice of regular meetings shall be posted at least seventy-two (72) hours prior to the meeting in a publicly accessible location in accordance with the requirements of the Ralph M. Brown Act. Each such notice shall state the general business to be transacted, and the day, time and place of the meeting. Business may be transacted at any regular meeting of the Board in accordance with the requirements of the Ralph M. Brown Act.

Section 3: Board of Directors Special Meetings. Special meetings of the Board may be called by the President of the Board or a majority of the serving Directors. Special meetings of the Board shall be held at any place within the boundaries of the DRPBID that has been designated in the notice of the meeting or at the principal executive office of the Corporation. Notice of special meetings shall be given to each Director stating the time, place, and business to be discussed at least twenty-four (24) hours before the time of the meeting specified in the notice. Notice shall be delivered to the Board personally or by any other means pursuant to Government Code §54956. Notice shall also be posted at least twenty-four (24) hours prior to the meeting in a publicly accessible location in accordance with the requirements of the Ralph M. Brown Act.

Section 4: Notice of Meetings. Notice of all meetings will be given in accordance with the provisions of the Ralph M. Brown Act, Government Code §54950 et. seq. The noticing provisions in these Bylaws shall be subject to any amendments of the Ralph M. Brown Act.

Section 5: Place of Meetings. All meetings of the Corporation shall be held at such location in the boundaries of the DRPBID as may be determined by the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the Corporation. If the corporation has no meeting facility within the boundaries of the DRPBID, it may hold meetings at the closest meeting facility.

Section 6: Telephonic Appearance. Teleconferencing, as authorized by §54953 of the Ralph M. Brown Act may be used for all purposes in connection with meetings. All votes taken during a teleconferenced meeting shall be by roll call. If teleconferencing is used, the Board shall post the agenda at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the Board. Each teleconference location shall be identified in the notice and agenda of the meeting, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the Directors of the Board shall participate from locations within the boundaries

of the DRPBID. The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to §54954.3 at each teleconference location.

Section 7: Quorum. At any meeting of the Board, a majority of the Directors of the Board shall constitute a quorum. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of adjournment. There shall be no voting by proxies or voting by absentia.

ARTICLE VII OFFICERS

Section 1: Offices Held. The Officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers as may be appointed by the Board of Directors. Officers shall have powers and duties as specified herein and as may be additionally prescribed by the Board of Directors. Any number of offices, except those of President and Treasurer, may be held by the same person. All officers shall be Directors.

Section 2: Election of Officers. The officers of this Corporation shall be chosen annually by the Board and shall serve at the pleasure of the Board, subject to the rights of any officer under any employment contract.

Section 3: Term. All officers shall be elected for a term of one (1) year or until their successors are elected and qualified.

Section 4: Removal of Officers. Subject to the rights, if any, of any officer under any contract of employment, any Officer may be removed, with or without cause, by the Board of Directors, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board of Directors, by an officer on whom such power or removal may be conferred by the Board of Directors. Any officer who misses three (3) or more annual meetings, without excuse, may be removed by an affirmative vote of the remainder of the Board.

Section 5: 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 6: Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed by these Bylaws for normal appointments to that office.

Section 7: Responsibilities of President. If such an officer be elected, the President shall preside at meetings of the Board of Directors and exercise and perform such other powers and duties as may be from time assigned to him by the Board of Directors or prescribed by the Bylaws.

Section 8: Vice President. The Vice President shall preside at meetings of the Board of Directors in the absence of the President, and exercise and perform such other powers and duties as may be from time assigned to him by the Board of Directors or prescribed by the Bylaws.

Section 9: Responsibilities of Secretary. The Secretary of the Corporation shall have the following responsibilities:

- 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, and of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general, or special, and if special, how authorized; the notice given; the names of persons present at Board and committee meetings; and any action taken and the vote or abstention on that action of each Director present for the action.
- B. The Secretary shall keep or cause to be kept, at the Corporation's principal 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 Directors, showing each Director's name, address, and business represented.
- D. The Secretary shall give, or cause to be given, notice of all meetings 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.
- E. The Secretary shall maintain, or cause to be maintained, the Corporation's records in accordance with the requirements of the California Public Records Act, Government Code §6250 et seq.

Section 10: Responsibilities of Treasurer. The Treasurer of the Corporation shall have the following responsibilities:

- 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 Directors such financial statements and reports as are required to be given by law, by these Bylaws, by the DRPBID Management District Plan, or by the Board. The books of account shall be open to inspection by any Director at all reasonable times.
- B. The Treasurer shall 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; shall disburse the Corporation's funds as the Board may order; shall 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 have such other powers and perform such other duties as the Board or these Bylaws may require.
- C. If required by the Board of Directors, 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 his office and for restoration to the Corporation of all its books, papers, vouchers, money, and other property of every kind in his possession of under his control on his death, resignation, retirement, or removal from office.

Section 11: Loans. The Corporation shall not loan any money or property to, or guarantee the obligation of, any Director or officer of the Corporation. The Corporation may advance money to a Director or officer for reasonable business expenses, provided that the Director or officer is entitled to reimbursement.

ARTICLE VIII COMMITTEES

Section 1: Establishment. The Board, by resolution adopted by a majority of the Directors then in office, may create one or more committees, each consisting of two or more Directors and no one who is not a Director, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the Directors then in office. The Board may appoint one or more Directors as alternate members of such committee, who may replace any absent member at any meeting. Any such committee shall have all the authority of the Board, to the extent provided in the Board resolution, except that no committee may do the following:

- A. Fill vacancies on the Board or any committee of the Board;
- B. Fix compensation of the Directors for serving on the Board or any committee;
- C. Amend or repeal Bylaws or adopt new Bylaws;
- D. Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- E. Create any other committees of the Board or appoint the members of committees of the Board; or
- F. Expend corporate funds to support a nominee for Director if more people have been nominated for Director than can be elected; or
- G. With respect to any assets held in charitable trust, approve any contract or transaction between this Corporation and one or more of its Directors or between this Corporation and an entity in which one or more of its Directors have a material financial interest, subject to the approval provisions of Corporations Code §5233(d)(3).

Section 2: Executive Committee. The Board shall appoint two (2) or more Directors of the Corporation to serve as the executive committee of the Board. At least one (1) member shall be a City Director. 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 1 of this Article. All actions of the executive committee shall be reported to and ratified by the Board at the next duly scheduled Board meeting.

Section 3: Meetings and Actions of Committees. Meetings and actions of committees shall be governed by, held, and taken under the provisions of these Bylaws concerning meetings and other Board actions, except that the time for general meetings of committees and calling of special meetings of committees may be set either by Board resolution, or if none, by resolution of the committee. Notice of committee meetings will be given in accordance with the provisions of the

Ralph M. Brown Act. Minutes of each meeting shall be kept and shall be filed with the corporate records, and in accordance with the provisions of the California Public Records Act. The Board may adopt rules for governance of any committee as long as the rules are consistent with these Bylaws. If the Board has not adopted rules, the committee may do so.

Section 4: Advisory Committees. The Board may establish one (1) or more advisory committees. The members of any advisory committee may consist of directors or non-directors. 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 5. Audit and Compliance Committee. There may be a standing committee of the Corporation which shall be the Audit and Compliance Committee. The Audit and Compliance Committee shall consist of individuals appointed by the Board of Directors. The Secretary and Treasurer shall not serve on the Audit and Compliance Committee. The Board of Directors shall define the Committee's duties and responsibilities, provided that the Audit and Compliance Committee shall have those powers required to be exercised by such Committee under the California Nonprofit Integrity Act.

ARTICLE IX INDEMNIFICATION AND INSURANCE

Section 1: Indemnification.

- A. To the fullest extent permitted by law, this Corporation shall indemnify its agents, which includes Directors and officers, and may include employees and other persons described in the Corporations Code, including persons formerly occupying 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 the Corporations Code, 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 the Corporations Code. "Expenses," as used in these Bylaws, shall have the same meaning as in the Corporations Code.
- B. On written request to the Board by any person seeking indemnification under the Corporations Code, the Board shall promptly decide under that code whether the applicable standard of conduct set forth has been met, and if so the Board shall authorize indemnification.
- C. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Corporation for those expenses.

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

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

Section 4: Action Brought by or on Behalf of the Corporation.

- A. **Claims Settled Out of Court.** If any agents settles or otherwise disposes of a threatened or pending action brought by or on behalf of this Corporation, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other dispositions or for any expenses incurred in defending against the proceedings, unless it is settled with the approval of the Attorney General.
- B. **Claims and Suits Awarded Against Agent.** This Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this Corporation by reason of the fact that the person is or was an agent of this Corporation, for all expenses actually and reasonably incurred in connection with the defense of the action, provided that both of the following are met:
 - 1. The determination of good faith conduct required by Section 5, below, must be made in the manner provided for in that Section; and
 - 2. Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent shall be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expense to be reimbursed.

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

- A. **Required Standard of Conduct.** The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he believed to be in the best interest of this of Corporation, and with such care, including reasonable inquiry, as an ordinary prudent person in the like position would use in a similar circumstance. Determination of any proceeding by judgment, order, settlement, conviction, or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in the best

interest of his Corporation or that he had reasonable cause to believe that his conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe this his conduct was unlawful.

- B. Manner of Determination of Good Faith Conduct.** The determination that the agent did act in a manner complying with paragraph (a), above, shall be made by:
1. The Board of Directors by a majority vote on a quorum consisting of Directors who are not parties to the proceeding; or
 2. The court in which the proceeding is or was pending. Such determination may be made on application brought by this Corporation or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney, or other person is opposed by this Corporation.

Section 6: Limitations. No indemnification or advance shall be made under this Article, except as provided in Section 2 or Section 5(B)(3), in any circumstance when it appears:

- A. That the indemnification or advances would be inconsistent with the provision of this Article, 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, or which prohibits or otherwise limits indemnification; or
- B. That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

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

Section 8: Contractual Rights of Non-Directors and Non-Officer. Nothing contained in this Article shall affect any right to indemnification to which persons other than Directors and Officers of this Corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 9: Insurance. The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf any agent of the Corporation against any liability other than for violating provisions against self-dealing asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this Corporation would have the power to indemnify the agent against that liability under the provisions of this Section.

ARTICLE X RECORDS

Section 1: Maintenance. This corporation shall keep all of the following records, either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the two:

- A. Adequate and correct books and records of account; and
- B. Minutes of the proceedings of its Board and committees.

Section 2: 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 3: Articles and Bylaws. This Corporation shall keep, at its principal office, or if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the Articles of Incorporation and Bylaws, as amended to the current date, that shall be open to inspection by Directors at all reasonable times during office hours.

Section 4: Annual Reports. The Treasurer of the Corporation shall prepare and submit, or cause to be prepared and submitted, the following annual reports. The Treasurer shall keep, or cause to be kept, copies of all annual reports with the Corporation's records. The two reports may be combined into one all-inclusive document.

- A. DRPBID Annual Report. The DRPBID annual report will be prepared and submitted in accordance with the provisions of Streets and Highways Code §36650 and the DRPBID Management District Plan.
- B. DRP Annual Report. The DRP annual report shall be prepared within 120 days after the end of the Corporation's fiscal year. This section shall not apply if the Corporation receives less than \$10,000 in gross revenues or receipts during the fiscal year. The report shall contain the following information in appropriate detail:
 1. The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year;
 2. The principal changes in assets and liabilities, including trust funds, during the fiscal year;
 3. The Corporation's revenue or receipts, both unrestricted and restricted to particular purposes, during the fiscal year;
 4. The Corporation's expenses or disbursements for both general and restricted purposes, during the fiscal year;
 5. Any transaction during the previous fiscal year involving more than \$50,000 in which the Corporation was a party and in which any Director or officer of the Corporation has a direct or indirect financial interest, or any of a number of such transaction in which the same person had a director or indirect financial interest and which transactions in the aggregate involved more than \$50,000;
 6. The amount and circumstances of any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Director or officer of the Corporation pursuant to Article 9 of these Bylaws, unless such indemnification has already been approved pursuant to Article 9 Section 1. For each transaction, the report must disclose the names of the interested persons involved in such transaction and state such person's relationship to the Corporation, the nature of such person's interest in the transaction and, where practicable, the value of such interest;
 7. Any information required by these Bylaws; and
 8. An independent accountant's report, or, if none, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

Section 5: Annual Statement. As part of the annual report, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail, deliver or send by electronic transmission to its Directors a statement of any transaction or indemnification of the kinds in subparagraph B below within 120 days after the end of the Corporation's fiscal year.

A. The statement shall include:

1. A brief description of the transaction;
2. The names of interested persons involved and their relationship to the Corporation;
3. The nature of interested persons in the transaction;
4. The amount of the interested persons' interest, except that in a partnership in which such person is a partner, only the partnership interest need be stated.

B. Transactions included in the statement shall be those transactions:

1. To which the Corporation or its subsidiary was a party;
2. Which involved more than \$50,000 or was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000; and
3. In which either of the following interested persons had a direct or indirect material financial interest (a mere common Directorship is not a material financial interest):
 - a. Any Director or officer of the Corporation;
 - b. Any holder of more than ten percent (10%) of the voting power of the Corporation.

ARTICLE XI OPERATIONS AND ADMINISTRATION

Section 1: Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the last of December of each year.

Section 2: Funds. All funds of the Corporation shall be deposited in such banks, trust companies, or other reliable depositories as the Board from time to time may determine. All checks, drafts, endorsements, notes and evidence of indebtedness of the Corporation shall be signed by such officers or agents of the Corporation and in such manner as the Board may determine from time to time. Endorsements for deposits to the credit of the Corporation shall be made in such manner as the Board may determine from time to time.

Section 3: Contracts. The President or any other officer or agent specifically authorized by the Board may, in the name of and on behalf of the Corporation, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board. Without the express and specific authorization of the Board, no officer or agent may enter into any contract or execution or deliver any instrument in the name of or on behalf of the Corporation.

Section 4: Brown Act Compliance. To the extent that Government Code §54952(c) shall require the Corporation to be subject to the open meeting requirements of the Ralph M. Brown Act, then the Board will comply with the provisions of Government Code §54950 through and including §54961. To the extent that any provisions of these Bylaws are inconsistent with the Ralph M.

Brown Act, the provisions of said Act shall prevail. In the event the Corporation is not required to comply with the Ralph M. Brown Act, then the Board will not endeavor to meet the requirements of the Brown Act.

ARTICLE XII AMENDMENT

Except as otherwise provided herein, and subject to the power of Directors to amend or repeal the Bylaws, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by an affirmative vote of a majority of the Directors present in office, at any regular or special meeting, a quorum being assembled, provided that written notice of such meeting, setting forth in detail the proposed revision(s) and explanation(s) therefore, be given not less than seven (7) days prior to such meeting.

CERTIFICATE OF SECRETARY

I, Mike Esparza, certify as follows:

1. I am the duly elected and acting Secretary of Downtown Roseville Partnership, a California Nonprofit Mutual Benefit Corporation;
2. That these Bylaws, consisting of fifteen (15) pages, inclusive, are the Bylaws of the Corporation as adopted by the Board of Directors on October 19th, 2020;
3. That these Bylaws have not been amended or modified since that date.



, Secretary