

BYLAWS
Of
BASIC ASSISTANCE FOR STUDENTS IN THE COMMUNITY
A California nonprofit public benefit corporation
(as amended December 3, 2013)

ARTICLE 1. NAME

The name of this organization is BASIC ASSISTANCE FOR STUDENTS IN THE COMMUNITY.

ARTICLE 2. OFFICES OF THE CORPORATION

Section 2.1 Principal Office

The principal office for the transaction of the activities and affairs of the corporation is Borrego Springs Chamber of Commerce Offices 786 Palm Canyon Dr. Borrego Springs, CA 92004. The Board of Directors may change the principal office from one location to another. Any change of location of the principal office shall be noted by the secretary on these bylaws opposite this Section and this Section may be amended to state the new location.

Section 2.2 Other Offices

The Board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

ARTICLE 3. PURPOSES AND LIMITATIONS

VISION: BASIC is an association of volunteer workers and supporters who are committed to empowering youth and adults of the Borrego Springs community to pursue educational opportunity and achievement by providing grants, scholarships and programs that will help students reach their potential and realize their dreams.

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public and charitable purposes. The specific purpose of this corporation is to assist students in meeting their financial needs in the pursuit of additional academic and/or vocational training and which may include funding for programs identified by the Board and its directors for assisting students in preparing for academic and/or vocational training. Persons requesting funding must be or have been residents or are employed in the region defined by the Borrego Springs United School District.

ARTICLE 4. MEMBERS

This corporation shall have members who shall pay an annual membership fee and receive benefits defined by the Board annually. Officers and Directors of the Board shall be supporting members and shall be designated as the sole members of the corporation with voting rights for the operation, exercise, direction and powers of the corporation as prescribed in these bylaws.

ARTICLE 5. DIRECTORS

Section 5.1 Corporate Powers

5.1.1 General Corporate Powers

Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, the corporation's activities shall be managed and all corporate powers shall be exercised by or under the direction of the Board.

5.1.2 Specific Powers

Without prejudice to the general powers set forth in Section 5.1.1 of these Bylaws, but subject to the same limitations, the directors shall have the power to:

(a) appoint and remove, at the pleasure of the Board, all the corporation's officers, agents and employees; prescribe powers and duties for them that are consistent with the law, with the articles of incorporation and with these bylaws; and fix their compensation and require from them security for the faithful performance of their duties;

(b) change the principal office or the principal business in California from one location to another; and cause the corporation to be qualified to conduct its activities in any other state, territory, or country, and conduct its activities within or outside California;

(c) adopt, use and alter the form of a corporate seal;

(d) borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges hypothecations and other evidences of debt and securities.

Section 5.2 Number and Qualifications of Directors

5.2.1 Authorized Number and Qualifications

The Board shall consist of at least (5) but no more than (19) directors until changed by amendment to these bylaws. The exact number of directors initially shall be fixed within those limits, by the incorporator of this corporation. This number may be subsequently changed within those limits, by a resolution adopted by the Board. The "authorized number of directors" shall be the number elected at the annual Board meeting of the Board called for election of officers and Board organization.

5.2.2 Restriction of Interested persons as Directors

No more than forty nine percent (49%) of the persons on the Board may be interested persons. An interested person is (a) any person compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part time employee, independent contractor, or otherwise, excluding and reasonable compensation paid to a director as director, and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, etc. of such person. However, any violation of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 5.3 Election, Designation and Term of Office

The initial directors shall be designated by the incorporator of this corporation and shall hold office until the first annual meeting. Succeeding directors shall be designated by at least a majority vote at

each annual meeting of the directors to hold office for three years. Each such director, including a director designated to fill a vacancy, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified.

5.3.1 Resignations

Except as provided below, any director may resign by giving written notice to the chairman or president or secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time the Board may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the attorney General of California, no director may resign if the corporation would be left without a duly elected director or directors.

5.3.2 Filling Vacancies

Vacancies on the Board may be filled in the manner prescribed for the designation of directors as set forth in Section 5.3 above.

5.3.3 No Vacancy on Reduction of Number of Directors

No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 5.4 Director's Meetings

5.4.1 Place of meetings

Meetings of the Board shall be held at any place within or outside California that has been designated by resolution of the Board or in the notice of the meeting, or, if not so designated, at the principal office of the corporation.

5.4.2 Meetings by Telephone

Any meeting may be held by conference telephone as long as all directors participating can hear one another. All such directors shall be deemed to be present at such a meeting.

5.4.3 Annual Meeting

Once each year the Board shall hold a regular meeting for purposes of organization, election of officers and transaction of other business. Notice of this meeting to members and officers of the Board is required.

5.4.4 Other Regular Meetings

Other regular meetings of the Board may be held without notice at such time and place as the Board may fix from time to time.

5.4.5 Meetings by Email

In the event it is necessary to disseminate information or obtain approval of an issue at hand, the consent or non-consent of the issue may be made by email. Approval or disapproval will be had by the majority opinion of email of directors as certified by the Secretary of the Board and the President.

5.4.6 Special Meetings

a. Authority to call

The chairman, president or vice-president or the secretary or two directors, may call special meetings of the Board for any purpose at any time.

b. Manner of giving notice

Notice of time and place of special meetings shall be given to each director by one of the following methods: (a) personal delivery of written notice; (b) by first class mail, postage prepaid; (c) by telephone, either 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; (d) by facsimile or (e) by email with read receipt requested. All such notices shall be given or sent to the director's address, telephone number or email address as shown on the records of the corporation.

c. Time requirements

Notices sent by first-class mail shall be deposited in the US mail at least five (5) days before the time for the meeting is set for the meeting. Notices given by personal delivery, telephone facsimile or email shall be delivered to the recipient at least (48) hours before the meeting

d. Notice Contents

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

5.4.7 Quorum

A majority of the number of authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present shall be the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to:

(1) Approval of contracts or transactions in which a director has a direct or indirect material financial interest, (2) approval of certain transactions between corporations having common directorships, (3) creation of and appointment to committees of the Board and (4) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, despite withdrawal of directors, if any action taken or decision made is approved by at least a majority of the quorum for that meeting.

5.4.8 Wavier of Notice

Notice of a meeting need not be given to any director who, either before or after the meeting signs a wavier of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The wavier of notice or consent need not specify the purpose of the meeting. All such waivers, comments and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting need not be given to any directors who attend the meeting and do not protest before or after the commencement of the meeting, the lack of notice to him or her.

5.4.9 Adjournment

A majority of the directors present, whether or not a quorum is present, may adjourn and meet at another time and place.

5.4.10 Notice of Adjourned Meeting

Notice of the time and place of holding an adjourned meeting need not be given unless the adjourned meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place before the time of the adjourned meeting, to the directors who were not present at the time of adjournment.

Section 5.5 Actions without a Meeting

Any action that the Board is required or permitted to take may be taken without a meeting if all members of the Board consent in writing (including by email) to the action; provided however, that the consent of any director who has a material financial interest in a transaction to which the corporation is a party and who is an “interested director” as defined in the California Corporations Code shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes if the proceedings of the Board.

Section 5.6 Compensation and Reimbursement

Directors and members of committees may receive compensation, if any, for their services as directors and officers, and such reimbursements of expenses, as the Board may determine by resolution to be just and reasonable as to the corporation at the time the resolution is adopted.

Section 5.7 Committees

5.7.1 Committees of the Board

The Board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees, each consisting of one or more directors and other members. Appointments to committees of the Board shall be by majority vote of the directors then in office. The Board may appoint one or more of the directors as alternate members of any such committee who may replace any absent members at any meeting. Any such committee, to the extent provided in the Board resolution, shall have the authority of the Board, except that no committee, regardless of Board resolution may:

- a. Fill vacancies on the Board or any committee that has the authority of the Board;
- b. Fix compensation of the directors for serving on the Board or any committee that has the authority of the Board;
- 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 members of the committee of the Board;
- f. Expend corporate funds to support a nominee for director after more people have been nominated for director than can be elected; or
- g. Approve any contract or transaction to which the corporation is a party and one in which one or more of its directors have a material financial interest, except as special approval provided for in Section 5233(d)(3) of the California Corporations Code

5.7.2 Meetings and Actions of Committees

Meetings and actions of committees of the Board shall be governed by, held, and taken in accordance with provisions of these bylaws concerning meetings and other Board actions, except that the time for regular meetings of such committees and the calling of special meetings may be determined either by Board resolution or, if there is none, by resolution of the committee of the Board. Minutes of each meeting of any committee, provided they are consistent with these bylaws or, in the absence of rules adopted by the Board, the committee may adopt such rules.

ARTICLE 6. OFFICERS

Section 6.1 Officers of the Corporation

The officers of the corporation shall be a president, a vice president, a secretary and a chief financial officer. The corporation may also have, at the Board's discretion, a chairman of the Board, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers and other such officers as may be appointed in accordance with Section 6.3 of these bylaws. Any number of these offices may be held by the same person, except that neither the secretary nor the chief financial officer may serve concurrently either as president or chairman of the Board.

Section 6.2 Elections of Officers

The officers of the corporation, except those appointed under section 6.3 of these bylaws, shall be chosen for rotating three year terms by the Board and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment.

Section 6.3 Other Officers

The Board may appoint and may authorize the chairman of the Board, the president, or other officers to appoint any other officers that the corporation may require. Each officer so appointed shall have the title, hold the office for a proscribed period, have the authority, and perform the duties specified in the bylaws or determined by the Board.

Section 6.4 Removal of Officers

Without prejudice to any rights of an officer under any contract of employment, an officer may be removed with or without cause by the Board and also, if the officer was not chosen by the Board, by any officer on whom the Board may confer that power of removal.

Section 6.5 Resignation of Officers

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

Section 6.6 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 in these bylaws for regular appointments to that office; provided however that these vacancies be filled on an annual basis.

Section 6.7 Responsibilities of Officers

6.7.1 Chairman of the Board

If a chairman of the Board is elected, he or she shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no president, the chairman of the Board shall also be the chief executive officer and shall have powers and duties of the president of the corporation prescribed by these bylaws.

6.7.2 President

Subject to such supervisory powers as the Board may give to the chairman of the Board, if any, and subject to the control of the Board, the president shall be the general manager of the corporation and shall supervise, direct and control the corporation's activities, affairs and officers. The president shall be responsible for organizing and directing the Board in the development of a "Strategic Plan" to guide the work and development of the corporation and working with the Board to implement and report on the plan in progress. The president shall have such other powers and duties as the Board or the bylaws may prescribe.

6.7.3 Vice Presidents

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

6.7.4 Secretary

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 Boards and committees of the Board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and if special, how authorized, the notice given, and the names of those present at Board and committee meetings. The secretary shall keep or cause to be kept, at the corporation's principal office in California, a copy of the articles of incorporation and the bylaws as amended to date.

6.7.5 Chief Financial Officer

The chief financial officer shall keep and maintain or cause to be maintained adequate and correct books and accounts of the corporation's properties and transactions. The chief financial officer 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, or by the Board. The books of account shall be open to inspection by any director or member at all reasonable times.

ARTICLE 7. INDEMNIFICATION

Section 7.1 Right of Indemnity

To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees and other persons described in the California Corporations Code, including persons formerly occupying any such position, 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 any 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 the bylaw, shall have the same meaning as in the California Corporation Code.

Section 7.2 Approval of Indemnity

On written request to the Board by any person seeking indemnification under the California Corporations Code, the Board shall promptly determine under the Corporation Code whether the applicable standard of conduct set forth in or 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 create an Indemnification Committee made up of those Board members who are not parties to the proceeding. The Indemnification Committee shall determine under the California Corporations Code whether the applicable standard of conduct set forth in the California Corporations Code has been met and, if so, the Indemnification Committee shall authorize indemnification.

Section 7.3 Advancement of Expenses

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 Section 7.1 and 7.2 of these bylaws in defending any proceeding covered by those Sections 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 prepaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

ARTICLE 8. INSURANCE

The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employee or agent in such capacity or arising out of the officer's, director's, employee's or agents statue as such.

ARTICLE 9. RECORDS AND REPORTS

Section 9.1 Maintenance of Corporate Records

The corporation shall keep (1) adequate and correct books and records of account, and (2) written minutes of the proceedings of its Board and committees of the Board.

Section 9.2 Maintenance and Inspection of Articles and Bylaws

The corporation shall keep at its principal office, or if its principle office is not in California, at its principal office in this state, the original of a copy of the articles on incorporation and bylaws as amended to date.

Section 9.3 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, physical properties, and the records of each of its subsidiaries. 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 documents.

Section 9.4 Annual Report

9.4.1 Content of Annual Reports

The Board shall cause an annual report to be sent to directors within one hundred twenty (120) days after the end of the corporation's fiscal year. That report shall contain the following information, in appropriate detail, for the fiscal year:

- a. the assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year;
- b. the principal changes in assets and liabilities, including trust funds.

- c. the revenue or receipts of the corporation, both unrestricted and restricted to particular purposes;
- d. the expenses or disbursements of the corporation for both general and restricted purposes;
- e. action(s) taken to achieve implementation of the Board's Strategic Plan, and;
- f. any information required in Section 9.5 of these bylaws.

The annual report shall be accompanied by a report on it of independent accounts or, if there is no such report, by the certificate of an authorized officer of the corporation that such statements were prepared without audit from the corporation's books and records.

9.4.2 Requirement for Report

The requirement of an annual report shall not apply if the corporation received less than Fifty Thousand Dollars (\$50,000) in gross receipts during the fiscal year: provided, however that the information specified above for the inclusion into an annual report must be furnished to all directors.

Section 9.5 Annual Statements of Certain Transactions and Indemnifications

As part of the annual report or as a separate document if no annual report is issued, the corporation shall annually prepare and mail or deliver to each director a statement of any transaction of indemnification of the following kind within one hundred twenty (120) days after the end of the corporation's fiscal year.

9.5.1 Any transaction (i) in which the corporation, its parent, or its subsidiary was a party, (ii) in which an interested person had a direct or indirect material financial interest, and, (iii) which involved more than Fifty Thousand Dollars (\$50,000). For this purpose, an interested person is either of the following:

- a. any director or officer of the corporation, its parent or subsidiary (but mere common directorship shall not be considered such an interest); or
- b. any holder of more than ten percent (10%) of the voting power of the corporation, its parent, or its subsidiary.

The statement shall include a brief description of the transaction, the names of the interested parties involved, their relationship to the corporation, the nature of their interest in the transaction and if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person was a partner, only the interest of the partnership need be stated.

9.5.2 Any indemnification or advances aggregating to more than Ten Thousand Dollars (\$10,000) paid during the fiscal year to any officer or director of the corporation under Article 7 of these bylaws.

ARTICLE 10. CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise the general provisions, rules of construction and definitions in the California Nonprofit Corporation shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the 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 11. AMENDMENTS

Section 11.1 Amendment by Board

Subject to the limitations set forth below, the Board by majority vote may adopt, amend or repeal bylaws. Notwithstanding the above, the Board may not extend the term of a director that for which the director was elected.

Section 11.2 High Vote Requirement

If any provision of these bylaws requires the vote of a larger proportion of the Board than is otherwise required by law, that provision may not be altered, amended, or repealed except by the greater vote.

Section 11.3 Change in a Matter of Designating Directors

Without the approval of two-thirds (2/3) of the directors, the Board may not adopt, amend or repeal any of the bylaws that would alter the manner of designating directors as provided in Section 5.3 and 5.3.2 hereof.

AMENDED DECEMBER 3, 2013 BY MAJORITY VOTE (unanimous) OF THE BOARD OF DIRECTORS AT THE ANNUAL MEETING

Joann C. Stang, Secretary