

BYLAWS OF

CASTAIC AREA TOWN COUNCIL INC.

A California Nonprofit Public Benefit Corporation

ARTICLE 1: NAME

The name the organization shall be the "CASTAIC AREA TOWN COUNCIL INC." (TOWN COUNCIL).

ARTICLE 2: PURPOSE

To provide for the common good of the Castaic area.

- A. To provide for the expression and enhancement of the community's values, and lifestyles
- B. To provide a frequent forum or other means of gathering community views, wishes and concerns.
- C. To present community concerns to appropriate agencies, to review public or private proposals that may affect the community.
- D. To be apolitical, neither supporting nor opposing any political party or candidate.
- E. To teach and educate people of all races, religions, and national origins of the history of Castaic.
- F. 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 charitable and public purposes. This corporation is organized exclusively for charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law). Notwithstanding any other provision of these Bylaws, this corporation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law) ; by a corporation, contributions to which are deductible under Section 170 (c) (2) of the internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE 3: OFFICES

SECTION 1: Principle Office: The principle office for the transaction of the activities and affairs of the corporation ("principle office") is located at 31744 Castaic Rd., Suite #103 Castaic in Los Angeles County, California. The Board of Directors ("the Board") may change the principle office from one location to another. Any change of location of the principle office shall be noted by the Secretary on these Bylaws opposite this section, or this section may be amended to state the new location.

SECTION 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 4: ORGANIZATION OF THE CASTAIC AREA TOWN COUNCIL INC.

SECTION 1: Duties and Responsibilities: The duties and responsibilities of the Castaic Area Town Council Inc. shall include the following:

- A. The Castaic Area Town Council Inc. shall at all times function as a voluntary organization of elected members who receive no remuneration.
- B. The Castaic Area Town Council Inc. shall not borrow money nor incur indebtedness.
- C. Strive to accurately mirror in its policies and actions the positions and concerns of the residents of the Castaic Areas.
- D. Represent the region and community with equal consideration.

SECTION 2: Contracts: Castaic Area Town Council Inc. contracts must be:

- A. Authorized and executed by a 2/3 vote of the Castaic Area Town Council Inc.
- B. Fully Funded
- C. Unless authorized by the Castaic Area Town Council Inc., no officer or agent shall have any power or authority to bind the Castaic Area Town Council Inc.

SECTION 3: Reports: The reports of the Castaic Area Town Council Inc. shall be kept as follows; The minutes of all meetings will be available to the public upon written request.

SECTION 4: Records: The Secretary shall keep or cause to be kept, at the principle office of the corporation or at a place determined by resolution of the Board, a record of the members of the corporation showing each member's name, address, and class of membership.

SECTION 5: General Corporate Powers: Subject to the provisions and limitations of the California Nonprofit Corporation Law and any other applicable laws, and any limitations of the Articles of Incorporation and of these Bylaws, 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.

ARTICLE 5: BOUNDARY AND REGIONS

SECTION 1: Castaic Area Town Council Inc. Boundary: Initial area to be contained within the jurisdiction of the Castaic Area Town Council Inc. shall be the area within the current boundaries of the Castaic Union School District, including The Peter Pitchess Honor Rancho east of Castaic Creek:

Region 1: The boundaries of Region 1 shall begin at the intersection of the center line of the Santa Clara River and Interstate #5 (The Golden State Freeway), then westerly along the centerline of the Santa Clara River to the easterly side of Section 22, T4N, R17W, then north along the eastern side of Section 22, 15, 10, and 3, to the North east corner of Section 3, T4N, R17W, then west along the northern boundary of Section 3 to the northwest corner of the northeast quarter of Section 34, then north the northeast corner of Section 34, then east along the north boundary of Section 35 and 36 of T5N, R17W, to the center line of Castaic Creek to its intersection with the centerline of Interstate #5, then south along the centerline of Interstate #5 to the point of beginning.

— CHANGE BY/AAWS
Region 2: The boundary of Region 2 shall begin at the intersection of the easterly boundary of Section 22, T4N, R17W, and the centerline of the Santa Clara River, then westerly along the centerline of the Santa Clara River to its intersection with Ventura County line, then northerly along the Ventura County line to its intersection with the north boundary of Section 1, T4N, R 18, and the north boundary of Section 6, and 5, T4N, R17W, to the northeast corner of Section 5, then south along the east boundary of Section 5 to the southeast corner of the northeast quarter of Section 5, then east to the midpoint of Section 4, T4N, R17W, then southeasterly along a diagonal line to the northeast corner of Section 10, T4N, R17W, then south along the east boundaries of section 10, 15, and 22, T4N, R17W to the point of beginning.

Region 3: The boundary of Region 3 shall begin at the southeast corner of Section 3, R4N, T17W then westerly along the northern boundary of Region 2 to its intersection with the Ventura County line, then northerly along the Ventura County line to its intersection with the southern boundary of the Los Padres National Forest as such intersection falls within Section 23, R5N, T18W. then northeasterly along the southern boundary of the Los Padres National forest to its intersection with the north boundary of Section 24, R5N, T18W, then east along the north boundary of Section 24, and the northeast corner of Section 21, then south along the east boundary of Section 21, to its southeast corner, then east along the north boundary of Section 27, and 26, R6N, T17W, to the northwest corner of the northeast quarter of Section 26, south through Del Valle Park to its southwest corner at Sloan Canyon Road to its intersection with the west boundary of Section 26 to its southwest corner, then south along the west boundary of Region 1 to the point of beginning.

Region 4: The boundary of Region 4 shall begin at the intersection of the center line of the Castaic Creek and the north boundary of Section 36, T5N, R17W, then west along the north boundary of Region 1 to the NW corner of Section 35, T5N, R17W, then north along the east boundary of Region 3 to the NW corner of the NE quarter of the NE quarter of Section 26, R5N, T17W, the east along the north boundary of Section 26 to the intersection of the Old Road and the Interstate 5 southbound off-ramp, then south to the intersection of the Old Road and Lake Hughes Road, then northeasterly along Lake Hughes Road to its intersection with the east boundary of Section 18, T5N, R16W, (coincident with a western boundary of the Angeles National Forest), then south along the east boundary of Sections 18 and 19, T5N, R16W, to the SE corner of the NE quarter of Section 19, then north along the mid-line of Sections 20 and 21, T5N, R16W to the NE corner of the SE quarter of Section 21, then south along the east boundary of Sections 21, 28 and 33, T5N, R16W, to the intersection of the eastern boundary of Section 33 and the northern boundary of the Peter Pitchess Honor Rancho, then westerly along the northern boundary of the Peter Pitchess Honor Rancho to its intersection with the centerline of Castaic Creek, then north along the centerline of Castaic Creek to point of beginning.

Region 5: The boundary of Region 5 shall begin at the intersection of the Ventura County line and the southern boundary of the Los Padres National Forest as such intersection falls within Section 23, T5N, R18W, then northwesterly along the Ventura County line to its intersection the north boundary of Section 4, T5N, R18W, then east along the north boundary of Section 4 and Sections 3 and 2, T5N, R18W, to the NE corner of Section 2, then north along the eastern boundary of Sections 36, 25 and 24 to the NW corner of Section 19, T6N, R18W, then east along the northern boundary of Sections 19, 20, 21, 22, 23 and 24, to the NE corner of Section 24, then south along the eastern boundary of Sections 24 and 25 to the SE corner of Section 25, then east along the southern boundary of Section 30, T6N, R16W, to the SE corner of Section 30, then south along the western boundary of Section 32, T6N, R16W and Section 6, T5N, R16W, to the SW corner of Section 6, then east along the southern boundary of Section 6 to the SE corner of Section 6, then south along the western boundary of Sections 8 and 17, T5N, R16W, to the intersection of the western boundary of Section 17 and the Lake Hughes Road, then westerly along the north boundary of Region 4 and Region 3 to the point of beginning.

Note: The description of Region 5 encompasses portions of the Angeles National Forest, which are excluded from the jurisdiction of the Castaic Area Town Council. However, private property within

the boundaries of the Angeles National Forest as described herein, are within the jurisdiction of the Castaic Area Town Council.

SECTION 3: Revision of Region Boundaries:

- A. Region boundaries may be changed by a majority vote of the Castaic Area Town Council Inc., provided however, that such a vote shall include the unanimous approval of all Castaic Area Town Council Inc. directors which represent any Region which boundaries are being changed.

ARTICLE 6: MEMBERSHIP

SECTION 1: The Castaic Area Town Council Inc. shall be composed of ten directors elected by the Castaic Area resident. Two directors shall be elected from each Region.

SECTION 2: To be eligible, a candidate shall be: at least 18 years of age, a resident of minimum one year and a registered voter within the boundaries of the Castaic Area Town Council Inc. as defined in Article 4. A candidate can only be elected and serve in the Region in which they reside.

SECTION 3: Each director shall have one vote on the Castaic Area Town Council Inc. Absentee or proxy voting shall not be permitted.

ARTICLE 7: OFFICERS

SECTION 1: The officers of the Castaic Area Town Council Inc. shall be President, Vice President, Secretary and Treasurer.

SECTION 2: Duties of Officers: The duties of the Officers shall be as follows:

- A. **President:** The President shall preside at each meeting of the Castaic Area Town Council Inc. and of the Executive Committee. The President shall be responsible for seeing that the agenda is prepared, presiding at the meeting, maintaining order and keeping the meeting on schedule according to Parliamentary authority as defined in these bylaws.
- B. **Vice President:** In the absence of the President, the Vice President shall preside and perform the duties of the President.
- C. **Secretary:** The Secretary is the recording officer of Castaic Area Town Council Inc. and the custodian of its records except those assigned to other officers. The Secretary will conduct the correspondence of the Castaic Area Town Council Inc. The Secretary will initial all minutes as they are approved.
- D. **Treasurer:** The Treasurer shall receive and hold funds, conduct necessary banking, maintain pertinent financial books and records and prepare checks.

SECTION 3: Appointed Positions: The Castaic Area Town Council Inc. shall establish positions as needed to further the goals of the Castaic Area Town Council Inc.

SECTION 4: Election of Officers

- A. A nominating Committee of the Castaic Area Town Council Inc., chosen at large, shall prepare a slate of officers and present the slate to the Castaic Area Town Council Inc. in the month of January.
- B. The election of officers shall take place annually at the regularly scheduled January meeting of the Castaic Area Town Council Inc.
- C. The Castaic Area Town Council Inc. directors shall elect officers from the nominated candidates by majority vote.

ARTICLE 8: MEETINGS

SECTION 1: Town Meetings: The Castaic Area Town Council Inc. directors shall transact the business of the community as may properly come before them at Town Meetings, held at least once per month, a minimum of nine meetings per year. Each Castaic Area Town Council Inc. director shall be notified and provided a copy of the agenda in advance of the meeting. Concurrently the agenda shall be posted in a public place designated by the Castaic Area Town Council Inc.

SECTION 2: Meeting Date, Time and Place: A regular Castaic Area Town Council Inc. meeting date, time and place shall be established by the Castaic Area Town Council Inc. at the first meeting of each fiscal year, and the community notified. Every attempt shall be made by the Castaic Area Town Council Inc. to publicize meeting notices and/or special events.

SECTION 3: Special Meetings: A special meeting of the Castaic Area Town Council Inc. may be called by any three directors of the Castaic Area Town Council Inc. or by the President at least 24 (twenty-four) hours in advance ("Special Meeting"). Directors are to be notified at their residence of the time, place and subject of a Special Meeting of the Castaic Area Town Council Inc. The Special Meeting shall be limited to the announced subject(s).

SECTION 4: Quorum: The presence in person of not less than six directors entitled to vote is requisite and constitutes a quorum of all meeting:

SECTION 5: Decisions: Unless otherwise addressed in these By-laws, all decisions of the Castaic Area Town Council Inc. shall be by majority vote.

SECTION 6: Public Participation: In addition to the elected directors, representatives from interested community organizations and business groups and residents are encouraged to attend Castaic Area Town Council Inc. meetings and will be given an opportunity to speak.

SECTION 7: Facilities: Every effort shall be made to hold Castaic Area Town Council Inc. and Planning Meetings in a public area or building.

ARTICLE 9: COMMITTEES

SECTION 1: Executive Committee: The Executive Committee shall consist of the four officers of the Castaic Area Town Council Inc. Any three directors of the Executive Committee shall make up a quorum.

- A. Meetings of the Executive Committee shall be limited to the executing existing Castaic Area Town Council Inc. policy and shall not be empowered to establish new or conflicting policy. The scope of the power of the Executive Committee shall include emergency situations. Recommendations, findings and action on such shall be brought before the Castaic Area Town Council Inc. for further action and ratification.

SECTION 2: Standing Committees: The Standing Committees shall be: Community Standards and Land Use; Community and Public Relations; Finance and Ways and Means; and Community Health, Safety and Welfare.

- A. The President shall appoint a Castaic Area Town Council Inc. Director to serve as Chair of each Standing Committee each elective year or when necessary. The selections shall be confirmed by a majority vote of the Castaic Area Town Council Inc.
- B. Committees shall meet at the direction of the Chairperson and maybe composed of community members and other appointees of the Chairperson.
- C. Committees shall make a report at regular meetings or a Special Meetings when requested by the Castaic Area Town Council Inc. Subcommittees shall report to their respective Standing Committee Chairperson.
- D. The powers of any Committee shall be set forth in the Policy & Procedures except when specific powers are given by a majority vote of the Castaic Area Town Council Inc.

SECTION 3: Task Groups: Task Groups of the Castaic Area Town Council Inc. shall perform special tasks as directed by the Castaic Area Town Council Inc. A Castaic Area Town Council Inc. director shall serve as chairperson and shall appoint additional committee members as needed. A special committee or task group shall cease to exist when its final report is acted upon.

SECTION 4: Election Committee:

- A. The Election Committee shall be composed of community members, as needed, to coordinate the election of Castaic Area Town Council Inc. Directors.
- B. Members of the Election Committee may not run for election.
- C. The Election Committee shall prepare for, conduct and report on elections in compliance with these bylaws.

ARTICLE 10: FINANCES

SECTION 1: Auditor: The financial records of the Castaic Area Town Council Inc. shall be audited annually. The audit shall be conducted by an outside auditor selected by the Castaic Area Town Council Inc. or be reviewed by a committee of three community or Castaic Area Town Council Inc. Directors who do not have authority to sign checks.

SECTION 2: Signature: Two Castaic Area Town Council Inc. Directors signatures are required on all checks.

SECTION 3: Reimbursement: Directors shall be reimbursed for any out of pocket expenses relating to council business.

ARTICLE 11: RECORDS AND REPORTS

SECTION 1: Maintenance of Corporate Records: The Corporation shall keep:

- A. Adequate and correct books and records of account;
- B. Minutes in written form of the proceedings of the board and committees of the board.
- C. If applicable, a record of its members, giving their names and addresses and the class of membership held.

SECTION 2: Inspection by Directors: Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the corporation. These inspections by a Director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

ARTICLE 12: TERMS OF OFFICE

SECTION 1: Length of Term: Directors of the Castaic Area Town Council Inc. shall serve for a term of four years. No one may serve continuously for more than two full elected terms. (Elected or appointed time for vacancies not included).

ARTICLE 13: VACANCIES AND RESIGNATIONS

SECTION 1: Resignations: The resignation of a Director shall become effective immediately upon receipt by the Castaic Area Town Council Inc. President of written notice thereof or as set forth in the letter of resignation.

SECTION 2: Vacancies: In the event a director vacates or does not complete his or her term of office, then the Castaic Area Town Council Inc. shall fill the vacancy by the following procedures:

- A. If the remainder of the term or office is one year or less, the Castaic Area Town Council Inc. will request applications from residents of the Region in which the vacancy has occurred. The Castaic Area Town Council Inc. will appoint an interim Castaic Area Town Council Inc. Director from the applications by a majority vote. The interim Castaic Area Town Council Inc. Director shall serve until the position is formally filled at the next Castaic Area Town Council Inc. election.
- B. If the remainder of the term of office is more than one year, the Castaic Area Town Council Inc. will activate and notify the Election Committee to conduct a Special Election in the Region the vacancy has occurred. The Special Election shall follow procedures as established in Article 16: Elections. The elected Castaic Area Town Council Inc. Director shall serve the remainder of the vacated term of office.

ARTICLE 14: REMOVAL OF DIRECTORS BY THE CASTAIC AREA TOWN COUNCIL INC.

SECTION 1: Grounds for Removal: A Director may be removed for:

- A. Continued gross or willful neglect of duties of the office.
- B. Malfeasance of office.
- C. Failure or refusal to disclose necessary information on matters of Castaic Area Town Council Inc. business.
- D. Unauthorized expenditures, signing of checks or misuse of Castaic Area Town Council Inc. funds.
- E. Misrepresentation of established purpose of the Castaic Area Town Council Inc. or Community.
- F. Absenteeism amounting to two (2) consecutive regular meetings of the Castaic Area Town Council Inc. without an excuse acceptable to the majority of the Directors, may indicate a lack of interest in serving on the Castaic Area Town Council Inc. and may result in removal on the third consecutively missed regular meeting with a majority vote of at least seven of the Directors.
- G. Failure to remove oneself from a vote where a Director knowingly has a conflict of interest regarding the parties or issue involved.

SECTION 2: Investigation, Hearing and Final Action by the Castaic Area Town Council Inc:

When a motion to consider charges against a Director is passed, it shall be immediately referred to an investigation committee appointed by the Castaic Area Town Council Inc. The committee shall be composed of three (3) Directors. The committee, as part of its investigation, shall interview the member that is the subject of its investigation and shall allow that member to make a written statement should he or she wishes to do so. Said statement shall be part of the committee's report to the entire council. Said report shall be made to the council in closed session. However, the director being considered for removal shall have the right to be present when the report is made and shall be allowed to make a statement either under oath as that director shall choose. A motion to remove shall require a 2/3 majority vote of the Directors, excluding the member in question. The vote shall be by secret ballot in open session. The party in question shall not be entitled to vote on his or her removal.

**ARTICLE 15: RECALL OF CASTAIC AREA TOWN COUNCIL INC.
DIRECTOR BY REGION**

SECTION 1: A person, or group of persons, may only recall a Director elected in the Region where they are eligible to vote in a regular Castaic Area Town Council Inc. election. Recall of a Director shall take place as follows:

- A. Written notice shall be given to the Castaic Area Town Council Inc., at a regular Castaic Area Town Council Inc. meeting, of intent to circulate a petition for recall of a Director.
- B. The Castaic Area Town Council Inc. shall activate and notify the Election Committee.
- C. Neither the Castaic Area Town Council Inc., nor the Election Committee, shall judge the petition for recall.
- D. The person, or group of persons, initiating the recall, will have sixty (60) calendar days from date of notification to circulate the petition and obtain signatures of citizens which are from the Region in which the Director was elected, and which are eligible to vote in a regular Castaic Area Town Council Inc. election. Valid signatures amounting to at least 20% of the total registered voter in the Region must be collected.
- E. The petition must then be presented to the Election Committee for verification of signatures. A filing fee sufficient to defray the estimated cost of conducting the election must be presented at this time. The fee will be determined by the Election Committee.
- F. After signature verification, the Election Committee shall conduct a special recall election. The election process shall follow spirit and intent of State of California Election codes.
- G. Any money not required to defray the costs of a recall election shall be returned to the authorized representative of the recall petition.

ARTICLE 16: ELECTIONS

SECTION 1: There shall be an election on the first Tuesday in the month of November for Castaic Area Town Council Inc. positions that are expiring. All elections due to a vacant Director position will be held on the first Tuesday, 60 days after the filing fee is determined at the first regular Castaic Area Town Council Inc. meeting following the effective date of the vacancy. The election shall be by secret ballot on ballots prepared by the Election Committee. The election process shall follow policies and procedures as defined by the County Registrar of Voters and established Castaic Area Town Council Inc. Policies and Procedures.

SECTION 2: A qualified voter must be a Castaic resident and a Castaic registered voter.

SECTION 3: The election committee shall submit a final written report of election results to the Castaic Area Town Council Inc no later than the meeting following the elections.

SECTION 4: A filing fee as set by the Castaic Area Town Council Inc. to be submitted by each candidate at the time of registration.

ARTICLE 17: PARLIAMENTARY AUTHORITY

The rules contained in the current edition of Robert's Rules of Order, Newly Revised, 9th edition or subsequent edition shall govern the Castaic Area Town Council Inc. in all cases in which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Castaic Area Town Council Inc. may adopt.

ARTICLE 18: PROCEDURES TO AMEND OR REVISE THE BYLAWS.

SECTION 1: Definitions:

A. Amendment: The word *amend* covers any change, whether a word or a paragraph, to be added, struck out, or replaced, or whether a new set of articles is to be substituted for the old one.

B. Revision; Changes of the bylaw that are so extensive and general that they are scattered throughout the bylaws, should be effected through the substitution of an entirely new set of bylaws.

SECTION 2: Amendment:

An amendment to the Bylaws may be proposed by a Director of the Castaic Area Town Council Inc., or committee selected to amend the bylaws. Proposed amendment(s) shall be in writing and presented to the Castaic Area Town Council Inc. Secretary for verification as to compliance with these by-laws. The proposed amendment(s) shall be made available to Directors one month prior to the meeting at which the amendment(s) is to be considered. Adoption shall require a 2/3 majority vote of the Directors.

SECTION 3: Revision:

A revision to these bylaws may be proposed by a Director, and is subject to an affirmative vote of 2/3 of the members. Upon an affirmative vote the President shall appoint a Director as Bylaws Committee Chairman, and provide a 30-day public notification period. After 30 days the Committee chairman shall select a bylaws committee from the Directors and community volunteers. The revised bylaws shall be presented to the Castaic Area Town Council Inc. in a Special Meeting. The committee chairman shall explain each proposed revision and make clear what is new about each provision or how it differs from the corresponding provision of the existing bylaws. Adoption of the revised bylaws shall be a 2/3 majority vote of the Castaic Area Town Council Inc.

SECTION 4: Community Oversight:

A member(s) of the electorate may propose to amend or revise the bylaws, or rescind an amendment or revision adopted by the Castaic Area Town Council Inc. This procedure to amend, revise or rescind shall be as established in Article #17 (Referendum)

ARTICLE 19: REFERENDUM.

The referendum is the power of the electors to take action or reject all or part of action taken by the Castaic Area Town Council Inc. A referendum measure may be proposed by a Director, and is subject to a 2/3 majority vote of the Castaic Area Town Council Inc. A referendum or Initiative measure may be proposed by presenting to the Secretary, (for a recession, within 90 days after such action has been taken), a petition signed by 20% of the eligible voters within each region within all of the Castaic area. The petition shall be in writing and shall specify the action to be taken or rejected. The Special Election shall follow procedures as established in Article 14:(Elections), and Article 13: (Recall) Specifically, as to fees and verification of signatures.

ARTICLE 20: INDEMNIFICATION AND INSURANCE

SECTION 1: Indemnification:

- A. **Right of Indemnity:** To the full extent permitted by law, this corporation shall indemnify its directors, officers, employees and other persons described in Section 5238 (a) of the California Corporation Code, including persons formally occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any "proceeding", as that term is used in such Section and including an action by or in the right of the corporation, by reason of the fact that such person is or was a person described by such Section. "Expenses", as used in this Bylaw, shall have the same meaning as in Section 5238 (a) of the California Corporation Code.

- B. **Approval of Indemnity:** Upon written request to the Board by any person seeking indemnification under Section 5238 (b) or Section 5238 (c) of the California Corporation Code, the Board shall promptly determine in accordance with Section 5238(e) of the code whether the applicable standard of conduct set forth in Section 5238 (b) or Section 5238 (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 is such as to prevent the formation of a quorum of Directors who are not parties to such proceedings, the Board or the attorney or the other person rendering services in connection with the defense shall apply to the court in which such proceeding is or was pending to determine whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238 (c) has been met.
- C. **Advancement of Expenses:** To the full extent permitted by law and except as is 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 prior to the final disposition of the proceeding upon receipt by the corporation of an undertaking by or on behalf of such person that the advance will be repaid unless it is ultimately determined that such person is entitled to be indemnified by the corporation therefore.

SECTION 2: 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, employees and other agents of the corporation, against any liability asserted against or incurred by an officer, Director, employee or agent in such capacity or arising out of the officer's, Director's, employee's or agent's status as such.

ARTICLE 21: DISSOLUTION OF CASTAIC AREA TOWN COUNCIL INC. and DISTRIBUTION OF ASSETS:

The dissolution of the Castaic Area Town Council Inc. shall be an initiative measure. The initiative measure may be proposed by the Castaic Area Town Council Inc., subject to an affirmative vote of 7 Directors of the Castaic Area Town Council Inc. The proposed dissolution shall be in writing and set forth in the complete text of proposed action including the distribution of remaining assets of the Castaic Area Town Council Inc. to a qualified charitable organization(s) within the boundaries of the Castaic Area Town Council Inc. The proposed dissolution shall be submitted to the Secretary for verification as to compliance with these bylaws. The Secretary shall order a special election within 60 days after receipt of the action of the Castaic Area Town Council Inc. The Castaic Area Town Council Inc. shall advertise the proposed action for not less than one month prior to the scheduled election. The proposed dissolution of the Castaic Area Town Council shall be deemed approved if 2/3 of the votes cast in-favor the proposed dissolution.

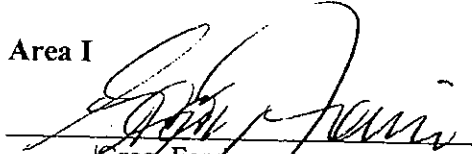
ARTICLE 22: Construction and Definitions

Unless the context otherwise requires, the general provisions, rules of construction and definitions in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular includes the plural and the plural includes the singular and the term "person" includes both a legal entity and a natural person.


ADOPTED:

Date: July 19, 2000

Area I



Greg Ferrier




Joseph Tafoya

Area II

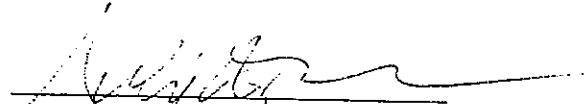


Ruth Griffin

Area III

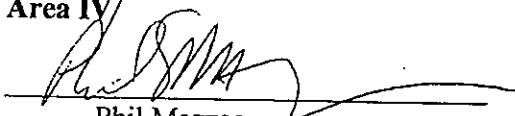


Steven Boldvich III



Julie Thomas

Area IV




Phil Mazzeo

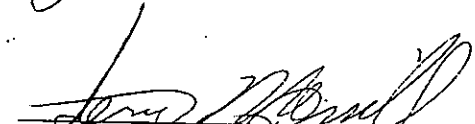


Russell Briley

Area V



Robert Hamlin



Jerry Morrill