

AMENDED BY-LAWS
OF THE
FRIENDS OF THE UNIVERSITY OF THE PHILIPPINES
FOUNDATION IN AMERICA
a California Nonprofit Public Benefit Corporation

ARTICLE I

NAME

The name of this corporation is Friends of the
~~University of the Philippines Foundation in America.~~

ARTICLE II

OFFICES

SECTION 1. PRINCIPAL OFFICE

The principal office for the transaction of the business of the corporation ("principal executive office") is ~~located at 580 California Street,~~ San Francisco, California. The trustees may change the principal office from one location to another. Any change of this location shall be noted by the secretary on these by-laws opposite this section, or this section may be amended to state the new location.

SECTION 2. OTHER OFFICES

The board of trustees may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE III

OBJECTIVES AND PURPOSES

The objectives of this corporation shall be:

- (a) To promote the growth and development of collegiate and graduate education and scholarship;
- (b) To foster better understanding and promote good relations between Philippine educational organizations and institutions, and similar United States institutions;
- (c) To develop such programs, projects, and other activities as will enhance the quality of education and learning in the Philippines and the United States; and

(d) To help provide financial and technical assistance to institutions and organizations dedicated to fostering the objectives of this corporation by way of direct or indirect monetary donations and other forms of support, including without limitation, soliciting the donations of books, journals, and equipment; arranging for scholarships, study and research grants; and inviting prominent educators to visit the Philippines and the United States to lecture or participate in appropriate study or training programs.

ARTICLE IV

NONPARTISAN ACTIVITIES

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law for the public purpose described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the corporation shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign on behalf of any candidate for public office or for or against any cause or measure being submitted to the people for a vote.

The corporation shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.

ARTICLE V

DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to religious or charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member or trustee of this corporation. On liquidation or dissolution, all properties and assets and obligations shall be distributed and paid over to an organization dedicated to charitable purposes, provided that the organization continues to be dedicated to the exempt purposes as specified in Section 501(c)(3) of the Internal Revenue Code.

ARTICLE VI

MEMBERSHIP

This corporation shall have no members.

ARTICLE VII

BOARD OF TRUSTEES

SECTION 1. POWERS

(a) General Corporate Powers. Subject to the provisions of the California Nonprofit Corporation law and any other applicable laws, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the board of trustees.

(b) Specific Powers. Without prejudice to these general powers, and subject to the same limitations, the trustees shall have the power to:

(i) Select and remove all officers, agents, and employees of the corporation; prescribe any powers and duties for them that are consistent with law, with the articles of incorporation, and with these by-laws; and fix their compensation.

(ii) Change the principal executive office or the principal business office in the State of California from one location to another; cause the corporation to be qualified to do business in any other state, territory, dependency, or country and conduct business within or outside the State of California.

(iii) Adopt, make, and use a corporate seal; and alter the form of the seal.

(iv) 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.

(c) Power in Furtherance of Corporate Objectives. In furtherance of the objectives and purposes of this corporation, the board shall have the exclusive power to make grants and contributions and otherwise render financial assistance to any organization organized and operated exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. In the exercise of such power, the board:

(i) shall review all requests for funds from such organizations, which must specify the use to which the funds will be put;

(ii) shall require that grantees authorized to receive payment of corporate funds furnish a periodic accounting to show that the funds were expended for the purposes which were approved by the board;

(iii) may, in its absolute discretion, refuse to make any grants or contributions or otherwise render financial assistance to or for any or all purposes for which funds are requested.

(iv) may, after it has approved a request for a grant for a specific purpose or project, direct the corporation to solicit funds for the said grant, always reserving the right to withdraw approval of the grant and to use the funds so solicited for these charitable, scientific or educational purposes, and to refuse contributions which cannot be so used.

SECTION 2. NUMBER AND QUALIFICATION OF TRUSTEES

The authorized number of trustees shall be at least three (3) but no more than fifteen (15) until changed by amendment to these by-laws. The exact number of directors shall be fixed, within those limits, by a resolution by the board of trustees. Trustees need not be residents of the State of California.

SECTION 3. ELECTION AND TERM OF OFFICE OF TRUSTEES

The first trustees shall be designated by the President of the University of the Philippines. Each such trustee shall hold office for six (6) years from the date of such designation and until a successor has been elected and qualified. Successor trustees shall likewise be designated by the President of the University of the Philippines.

SECTION 4. VACANCIES

(a) Events Causing Vacancy. A vacancy or vacancies in the board shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any trustee; (ii) the declaration by resolution of the board of a vacancy in the office of a trustee who has been declared of unsound mind by an order of court or convicted of a felony or has been found by final order or judgment of any court to have breached a duty under sections 5230 and following of the California Nonprofit Corporation Law; or (iii) the increase of the authorized number of trustees.

(b) Resignations. Except as provided in this paragraph, any trustee may resign, which resignation shall be effective on giving written notice to the chairman of the board, the secretary, or the board, unless the notice specifies a later time for the resignation to become effective. If the resignation of a trustee is effective at a future time, the board may elect a successor to take office as of the date when resignation becomes effective. No trustee may resign when the corporation would then be left without the minimum number of duly elected trustees in charge of its affairs.

(c) No Vacancy on Reduction of Number of Trustees. No reduction of the authorized number of trustees shall have the effect of removing any trustee before his term of office expires.

(d) Restriction on Interested Trustees. Not more than forty-nine percent (49%) of the persons serving on the board at any time may be interested persons. An interested person is (1) any person being 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 any reasonable compensation paid to a trustee as trustee; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

SECTION 5. PLACE OF MEETINGS; MEETINGS BY TELEPHONE

Regular meetings of the board may be held at any place within or outside the State of California that has been designated from time to time by resolution of the board. In the absence of such designation, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the corporation. Notwithstanding the above provisions of this Section 5, a regular or special meeting of the board may be held at any place consented to in writing by all the trustees, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all participating in the meeting can hear one another, and all such trustees shall be deemed to be present in person at such meeting.

SECTION 6. REGULAR MEETINGS

Regular meetings of the board shall be held without notice at such times as shall from time to time be fixed by the board.

SECTION 7. SPECIAL MEETINGS

(a) Authority to Call. Special meetings of the board for any purpose may be called at any time by the chairman of the board or the vice-chairman, the secretary, or any two trustees.

(b) Notice.

(i) Manner of Giving. Notice of the time and place of special meetings shall be given to each trustee by one of the following methods: (a) by personal delivery or written notice; (b) by first-class mail, postage prepaid; (c) by telephone communications, either directly to the trustee or to a person at the trustee's office who would reasonably be expected to communicate such notice promptly to the trustee; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the trustee's address or telephone number as shown on the records of the corporation.

(ii) Time Requirements. Notices sent by first-class mail shall be deposited in a United States mail box at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least forty-eight (48) hours before the time set for the meeting.

(iii) Notice Contents. The notice shall state the time and place for the meeting. It need not specify the purpose of the meeting, or the place of the meeting, if it is to be held at the principal executive office of the corporation.

SECTION 8. QUORUM

A majority of the authorized number of trustees shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 10 of this Article VII. Every act or decision done or made by a majority of the trustees present at a meeting duly held at which a quorum is present shall be regarded as the act of the board, subject to the provisions of the California Nonprofit Corporation Law, especially those provisions relating to (i) approval of contracts or transactions in which a trustee has a direct or indirect material financial interest, (ii) appointment of committees, and (iii) indemnification of trustees. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of trustees, if any action taken is approved by at least a majority of the required quorum for that meeting.

email

SECTION 9. WAIVER OF NOTICE

The transactions of any meeting of the board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present and (b) either before or after the meeting, each of the trustees not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any trustee who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

SECTION 10. ADJOURNMENT

A majority of the trustees present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

SECTION 11. NOTICE OF ADJOURNMENT

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the trustees who were not present at the time of the adjournment.

SECTION 12. ACTION WITHOUT MEETING

Any action required or permitted to be taken by the board may be taken without a meeting, if all members of the board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the board. Such written consent or consents shall be filed with the minutes of the proceedings of the board.

SECTION 13. FEES AND COMPENSATION OF TRUSTEES

Trustees and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by resolution of the board to be just and reasonable.

majority

ARTICLE VIII

BOARD OF ADVISORS

The board of trustees may, by resolution adopted by a majority of the trustees then in office, create a board of advisors to advise the board of trustees on matters of policy. The composition, duties and meetings of the board of advisors shall be as determined by resolutions of the board of trustees.

ARTICLE IX

COMMITTEES

SECTION 1. COMMITTEES OF TRUSTEES

The board may, by resolution adopted by a majority of the trustees then in office, designate one or more committees, each consisting of two or more trustees, to serve at the pleasure of the board. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee, regardless of board resolution, may:

- (a) fill vacancies on the board or in any committee which has the authority of the board;
- (b) fix compensation of the trustees for serving on the board or on any committee;
- (c) amend or repeal by-laws or adopt new by-laws;
- (d) amend or repeal any resolution of the board which by its express terms is not so amendable or repealable;
- (e) appoint any other committees of the board or the members of these committees;
- (f) approve any transaction (1) to which the corporation is a party and one or more trustees have a material financial interest; or (2) between the corporation and one or more of its trustees or between the corporation or any person in which one or more of its trustees have a material financial interest.

SECTION 2. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article VII of these by-laws, concerning meetings of trustees, with such changes in the context of those by-laws as are necessary to substitute the committee and its members for the board and its

members, except that the time for regular meetings of committees may be determined either by resolution of the board or by resolution of the committee. Special meetings of committees may also be called by resolution of the board. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The board may adopt rules for the government of any committee not inconsistent with the provisions of these by-laws.

ARTICLE X

OFFICERS

SECTION 1. OFFICERS

treasurer? The officers of the corporation shall be a chairman, one or more vice-chairmen, a secretary, and a chief financial officer. The corporation may also have, at the discretion of the board, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article IX. Any number of offices may be held by the same person, except that neither the secretary nor the chief financial officer may serve concurrently as chairman of the board.

SECTION 2. ELECTION OF OFFICERS

The officers of the corporation, except those appointed in accordance with the provisions of Section 3 of this Article IX, shall be chosen by the board, and each shall serve at the pleasure of the board, subject to the rights, if any, of an officer under any contract of employment.

SECTION 3. SUBORDINATE OFFICERS

The board may appoint, and may authorize the chairman of the board or another officer to appoint, any other officers that the business of the corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the by-laws or determined from time to time by the board.

SECTION 4. REMOVAL OF OFFICERS

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the board, at any regular or special meeting of the board, or, except in case of an officer chosen by the board, by an officer on whom such power of removal may be conferred by the board.

SECTION 5. RESIGNATION OF OFFICERS

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

SECTION 6. VACANCIES IN OFFICES

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these by-laws for regular appointments to that office.

SECTION 7. RESPONSIBILITIES OF OFFICERS

(a) Chairman of the Board. The chairman of the board shall preside at meetings of the board and exercise and perform such other powers and duties as may be from time to time assigned to him by the board or prescribed by the by-laws. In addition, he shall be the chief executive officer of the corporation and shall, subject to the control of the board, generally supervise, direct, and control the business and the officers of the corporation. He shall have such other powers and duties as may be prescribed by the board or the by-laws.

(b) Vice-Chairmen. In the absence or disability of the chairman, the vice-chairmen, if any, in the order of their rank as fixed by the board or, if not ranked, a vice-chairman designated by the board, shall perform all the duties of the chairman, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the chairman. The vice-chairmen shall have such other powers and perform such other duties as from time to time may be prescribed for them by the board or the chairman of the board.

(c) Secretary. The secretary shall attend to the following:

(i) Book of Minutes. The secretary shall keep or cause to be kept, at the principal executive office or such other place as the board may direct, a book of minutes of all meetings and actions of trustees and committees of trustees, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.

(ii) Notices, Seal and Other Duties. The

secretary shall give, or cause to be given, notice of all meetings of the board required by the by-laws to be given. He shall have such other powers and perform such other duties as may be prescribed by the board or the by-laws.

(d) Chief Financial Officer. The chief financial officer shall attend to the following:

(i) Books of Account. The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts on the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any trustee at all reasonable times.

(ii) Deposit and Disbursement of Money and Valuables. The chief financial officer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the board; shall disburse the funds of the corporation as may be ordered by the board; shall render to the chairman and trustees, whenever they request it, an account of all of his transactions as chief financial officer and of the financial condition of the corporation; and shall have such other powers and perform such other duties as may be prescribed by the board or the by-laws.

(iii) Bond. If required by the board, the chief financial officer 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 or under his control on his death, resignation, retirement, or removal from office.

ARTICLE XI

INDEMNIFICATION OF TRUSTEES, OFFICERS, EMPLOYEES, AND OTHER AGENTS

SECTION 1. DEFINITIONS

For the purposes of this Article,

(a) "agent" means any person who is or was a trustee, officer, employee, or other agent of this corporation, or is or was serving at the request of this corporation as a trustee, officer, employee, or agent of another foreign or domestic

corporation, partnership, joint venture, trust, or other enterprise;

(b) "proceedings" means any threatened, pending, or completed action or proceedings, whether civil, criminal, administrative, or investigative; and

(c) "expenses" include, without limitation, all attorneys' fees, costs, and any other expenses incurred in the defense of any claims or proceedings against any agent by reason of his position or relationship as agent, and all attorneys' fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

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 proceedings 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 Section 3 through 5 shall determine whether the agent is entitled to indemnification.

SECTION 3. ACTIONS BROUGHT 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 proceedings other than an action brought by, or on behalf of, this corporation, or by an officer, trustee or person granted related status by the Attorney General, or by the Attorney General on the ground that the defendant was or is engaged 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 trust, by reason of the fact that such person is or was an agent of this corporation, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceedings.

SECTION 4. ACTIONS BROUGHT BY OR ON BEHALF OF THE CORPORATION

(a) Claims Settled Out of Court. If any agent 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 either for

amounts paid pursuant to the terms of the settlement or other disposition 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 that action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 5 below, must be made in the manner provided for in that section; and

(ii) 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 should 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 expenses to be reimbursed.

SECTION 5. DETERMINATION OF AGENT'S GOOD FAITH CONDUCT

The 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 interests of this corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceedings 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 act in good faith or in a manner which he reasonably believed to be in the best interests of this corporation or that he had reasonable cause to believe that his conduct was unlawful. In the case of criminal proceedings, the person must have had no reasonable cause to believe that 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:

(i) the board by a majority vote of a quorum consisting of trustees who are not parties to the proceedings; or

(ii) the court in which the proceedings 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 Sections 2 or 5(b)(ii), in any circumstance when it appears:

(a) That the indemnification or advance would be inconsistent with a provision of the articles, a resolution of the board or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceedings in which the expenses were incurred or other amounts were paid, 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. ADVANCE OF EXPENSES

Expenses incurred in defending any proceedings may be advanced by this corporation before the final disposition of the proceedings 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 NONTRUSTEES AND NONOFFICERS

Nothing contained in this Article shall affect any right to indemnification to which persons other than trustees and officers of this corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

SECTION 9. INSURANCE

The board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of 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 XII

RECORDS AND REPORTS

SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep:

- (a) Adequate and correct books and records of account and
- (b) Minutes in written form of the proceedings of the board and committees of the board.

All such records shall be kept at the corporation's principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state.

SECTION 2. MAINTENANCE AND INSPECTION OF ARTICLES AND BY-LAWS

The corporation shall keep at its principal executive 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 and by-laws as amended to date, which shall be open to inspection by the trustees at all reasonable times during office hours. If the principal executive office of the corporation is outside the State of California and the corporation has no principal business office in this state, the secretary shall, on the written request of any trustee, furnish to that trustee a copy of the articles and by-laws as amended to date.

SECTION 3. INSPECTION BY TRUSTEES

Every trustee 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 and each of its subsidiary corporations. This inspection by a trustee 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.

SECTION 4. REGULAR REPORT TO MEMBERS

- (a) Not later than one hundred twenty (120) days after the close of the corporation's fiscal year, each trustee shall be furnished a report containing the following information in reasonable 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 revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(4) The expenses or disbursements of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(5) The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.

(6) Any information required by Section 6 of this Article.

(b) The report required by this section shall be accompanied by any report thereon of independent accountants, 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 books and records of the corporation.

SECTION 5. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS

No later than one hundred twenty (120) days after the close of the corporation's fiscal year, the corporation shall prepare and mail or deliver to each trustee a statement of the amount and circumstances of any transaction or indemnification of the following kind:

(a) Any transaction(s) in which the corporation or any subsidiary was a party, and in which either of the following had a direct or indirect financial interest:

(1) Any trustee or officer of the corporation or any subsidiary (a mere common directorship or trusteeship shall not be considered such an interest); or

(2) Any holder of more than ten percent (10%) of the voting power of the corporation or any subsidiary, if such transaction involved over \$50,000, or was one of a number of transactions with the same person involving, in the aggregate, over \$50,000.

(b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or trustee of the corporation pursuant to Article X hereof.

ARTICLE XIII

CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these by-laws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the corporation and a natural person.

ARTICLE XIV

AMENDMENTS

The board of trustees may adopt, amend or repeal these by-laws; provided, however, that if any provision of these by-laws requires the vote of a larger proportion of the trustees than otherwise required by law, such provision may not be altered, amended or repealed except by vote of such larger number of trustees.