

BYLAWS
OF
GOLDEN STATE NATURAL RESOURCES, INC.
A California Nonprofit Public Benefit Corporation

Section 1. Name. The name of the corporation shall be Golden State Natural Resources, Inc.

Section 2. Principal Office. The principal office of the corporation in the State of California shall be located at 1215 K Street, Suite 1650, Sacramento, California 95814. The Board of Directors (the “Board”) may change the location of the principal office by resolution at any time. 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.

Section 3. Purposes and Limitations

(a) *General Purposes.* 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 purposes.

(b) *Specific Purposes.* This corporation shall exclusively engage in promoting public safety, forest resiliency, wildfire risk reduction, air quality improvement, organic waste reduction, rural economic development, and public purposes related thereto.

(c) *Limitations.*

(i) No part of the net earnings of this corporation shall inure to the benefit of private individuals; provided, however, that the corporation may pay reasonable compensation for services rendered by individuals.

(ii) All corporate property is irrevocably dedicated to the purposes set forth in the Articles of Incorporation. On the winding-up and dissolution of this corporation, after paying or adequately providing for the debts, obligations and liabilities of the corporation, the remaining assets of this corporation shall be distributed to the Rural County Representatives of California (“RCRC”) or if such organization no longer exists, on a proportionate basis to the counties which were members of RCRC.

(iii) The corporation shall have and exercise all powers and rights conferred upon nonprofit corporations by the California Nonprofit Public Benefit Corporation Law, as amended, and all powers and rights not otherwise precluded by the laws of the State of California which are approved by its governing board

as necessary and appropriate for accomplishing its purposes set forth above. Except as provided in the Articles of Incorporation, these Bylaws shall govern management of the corporation's affairs.

(d) *Excess Revenues.* This corporation shall transfer to RCRC all resources in excess of the corporation's business operating needs. The amounts of such excess resources shall be determined and transferred by the Chief Financial Officer and a Vice President designated by the President on not less frequently than an annual basis. Any transfer of funds pursuant to this Section shall be approved by the President

Section 4. Members; Advisory and Honorary Classifications.

(a) The corporation shall have no members. There may be persons or entities referred to by the corporation as "members" even though those persons or entities are not voting members under these Bylaws, but no such reference shall constitute anyone a member within the meaning of Section 5056 of the California Corporations Code. The corporation may not establish or grant rights of membership to any person or entity within the meaning of Section 5056 of the California Corporations Code except by amendment to these Bylaws.

(b) The Board may establish such advisory or honorary boards or committees it deems necessary to assist the Board in the furthering the corporation's purposes.

Section 5. Directors.

(a) *General Powers.* Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation or these Bylaws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised by or under the direction of the Board.

(b) *Specific Powers.* Without limiting the general powers set forth above except as provided therein, the Board shall have the power to:

(i) Prescribe powers and duties for the corporation's officers that are consistent with the law, the Articles of Incorporation and these Bylaws; fix their compensation; and if appropriate, require from them security for faithful performance of their duties.

(ii) Change the principal office or business offices in California from one location to another; qualify the corporation to do business in any other state, territory, dependency or country, and conduct activities within or outside California; and designate any place within or outside California for holding any meeting sponsored by the Board or of the Board.

(iii) Adopt 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.

(v) Any other powers not specifically precluded by the California Nonprofit Public Benefit Corporation Law.

(c) ***Number and Qualification of Directors.*** The authorized number of directors shall be not fewer than five nor more than nine, the exact number to be determined by the Board.

(d) ***Restriction on Interested Persons.*** Not more than 49% of the persons serving 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 12 months, whether as a full-time or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a director as director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law or father-in-law of such person. However, any violation of the provisions of this section shall not affect the validity of enforcement of any transaction entered into by the corporation.

(e) ***Designation and Term of Office; Removal.*** The directors of the corporation shall be the currently serving President of RCRC (or their designee); two members of the Board of Directors of RCRC, designated by the RCRC Board; and two members of the Board of Directors of the Golden State Finance Authority ("GSFA"), designated by the GSFA Board. The term of office for directors designated by the RCRC Board or GSFA Board shall be one year, provided that any director designated by the RCRC Board or GSFA Board may be removed by their designator at any time without cause. Directors may serve for an unlimited number of additional one-year terms, consecutively or not. If the Board is expanded, the terms and manner of selection of the additional Board members will be established by the Board.

(f) ***Vacancies on the Board.*** A vacancy on the Board shall exist on the occurrence of any of the following: (i) death or resignation of any director; (ii) declaration by a resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by an order of a court or competent jurisdiction, convicted of a felony or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; (iii) the increase of the authorized number of directors; (iv) the failure of the Board to elect the number of directors required to be elected at an annual meeting; or (v) removal in accordance with these Bylaws or the California Nonprofit Public Benefit Corporation Law.

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

In the event of a vacancy in office of a director chosen by designation of the RCRC Board or GSFA Board, the RCRC Board or GSFA Board, as applicable, shall designate another qualified member to serve as director of the corporation.

(g) **Resignations.** Except as provided below, any director may resign by giving written notice to the presiding officer of the Board or to the Secretary of the corporation. A resignation shall be effective when given unless it specifies a later time to become 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.

(h) **Meetings of the Board**

(i) **Place.** The Board shall meet at the principal office of the corporation, or at such other place as may be designated in the notice of the meeting.

(ii) **Manner.** Any meeting may be held by conference telephone or similar communication equipment as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person at such a meeting.

(iii) **Regular Meetings.** A regular meeting for purposes of organization, election of officers and transaction of other business shall be held at least annually and more frequently if necessary at the time and place designated by the Board. The Secretary shall provide four days' notice by first-class mail or 48 hours' notice delivered personally or by telephone, including a voice messaging system or by electronic transmission, to each Director of the time, place and preliminary agenda for such meetings, except where greater notice is required by law; failure to provide such notices shall not invalidate such meeting provided the agenda for the meeting is posted. Mailed notice shall also be provided to any person or entity requesting notice.

(iv) **Special Meetings.** Special meetings of the Board may be called by the Chair if Directors have been provided at least four days' notice by first-class mail or 48 hours' notice delivered personally or by telephone, including a voice messaging system or by electronic transmission, of the time, place and purpose of such meeting, unless greater notice is required by law. No business may be conducted at a special meeting except as stated in such notice.

(v) **Resolution and Minute Orders.** The Board of Directors may act by resolution or by orders entered in full in the minutes of the Board. A majority affirmative vote of all Directors then in office shall be sufficient for the adoption of all resolutions or orders unless otherwise stated in these Bylaws or allowed by the California Nonprofit Public Benefit Corporation Law.

(vi) **Adjournment.** A majority of the directors' present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given unless the original 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 shall be given, before the time of time of the adjourned meeting, to the directors who were not present at the time of the

adjournment. The Board may also reconvene at the time fixed for the next regular meeting of the Board, or such other time as may be announced in the order of adjournment.

(vii) *Closed Sessions.* Directors may convene in closed session unless prohibited by otherwise applicable law. All other meetings of the Board shall be open to the public, and the public shall, subject to such reasonable time restrictions as the Board may establish, have a right to address the board on items appearing on the agenda and under public comment. Prior to convening in closed session, the Board shall make such announcements as may be required by otherwise applicable law. At the conclusion of any closed session meeting, the Board shall make such reports as may be required by applicable law.

(viii) *Rules of Order.* All meetings of the Board and its committees shall be conducted in accordance with Robert's Rules of Order, subject to any overriding effect of these Bylaws, other rule of the Board or applicable law. The substance and nature of each agenda item shall be reflected clearly on the agenda.

(ix) *Quorum of the Board.* A simple majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn the meeting. Every action taken, or decision made by a majority of all directors then in office 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 (A) approval of contracts or transactions in which a director has a direct or indirect material financing interest. (B) approval of certain transactions between corporations having common directorships, (C) creation of and appointment to committees of the Board and (D) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business despite the withdrawal of directors if any action taken or decision made is approved by the minimum number of directors required by these bylaws or the California Nonprofit Public Benefit Corporation Law, whichever is greater.

(i) *Compensation and Expense Reimbursement.* Directors and committee members may receive such compensation for their services as directors or officers, and such reimbursement of expenses, as the Board may determine by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted.

(j) *Committees.* The Board may appoint or dissolve any advisory or honorary committees deemed necessary and appropriate for the conduct of the corporation's business. The Board may not delegate any authority to such a committee, and no committee may take any action or decision in the name of or on behalf of the corporation or bind the corporation in any way. Meetings of such committees shall be governed by the provisions of these Bylaws applicable generally to the Board, minutes of which shall be submitted to the Secretary of the Corporation, and the board may, in its discretion, reimburse such committee members for their expenses of attending such meetings.

(k) *Compliance with Brown Act.* Notwithstanding any other provision in these Bylaws, all meetings of the Board shall be conducted pursuant to the provisions of the Ralph M. Brown Act, California Government Code Sections 54950 et seq., (the "Brown Act"), as it exists on the

date of the adoption hereof or as may from time to time hereafter be amended, and any conflict between the provisions of these Bylaws and the Brown Act shall be resolved in favor of the provisions of the Brown Act.

(1) *Duty to further public purposes.* The duty of the directors to operate the corporation in a manner that furthers the public purposes set forth in Section 3.b of these Bylaws shall override any duty that the directors, or any of them, may have to operate any program or activity of the corporation for the financial benefit of any person.

Section 6. Officers.

(a) *Officers of the Board.* The officers of the Board shall be the Chair (who shall be a member of the Board of Directors of GSFA) and the Vice Chair (who shall be a member of the Board of Directors of RCRC). The Chair shall preside at all meetings of the Board and shall have such powers and shall discharge such duties as may be required of them in the Articles of Incorporation, these Bylaws, the California Nonprofit Public Benefit Corporation Law, and by the Board. The Vice Chair shall fulfill the duties of the Chair in the absence or disability of the Chair, and when so acting shall have all the powers of and be subject to all limitations on the Chair and have such other duties as may be prescribed by the Board.

(b) *Officers of the Corporation.* Officers of the corporation shall be the President, the Secretary and the Chief Financial Officer.

(i) *President.* The President shall be the chief executive officer of the corporation and shall, subject to the advice and control of the Board, direct and control the affairs of the corporation.

The President shall be the President (or his or her designee) of RCRC.

The President shall execute contracts on behalf of the corporation pursuant to specific authorization by the Board or through the annual budget of the corporation. The President shall perform such other duties incident to his or her position as may be provided in the California Nonprofit Benefit Corporation Law or these Bylaws, or as directed by the Board.

(ii) *Chief Financial Officer.* The Chief Financial Officer shall be the Chief Financial Officer of RCRC. The Chief Financial Officer shall be ex officio the Treasurer of the corporation and shall serve at the pleasure of the President of RCRC. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, complete and accurate accounts of all receipts and disbursements of the corporation, including accounts of its assets and liabilities. The Chief Financial Officer shall deposit or caused to be deposited all moneys and other valuables in the name and to the credit of the corporation in such depositories as may be determined by the President. The Chief Financial Officer shall disburse the funds of the corporation as may be ordered by the Board and shall

regularly render to the board an account of the actions of the Chief Financial Officer and of the financial condition of the corporation.

Debits and payments from the corporate accounts of less than \$5,000 shall require the signature of either the President or Chief Financial Officer or such other individual as may be authorized by the Board; debits and payments of \$5,000 or more shall require the signature of the President and Chief Financial Officer or such other individual as may be authorized by the Board. The Chief Financial Officer shall render quarterly written financial reports to the Board setting forth all income received, and expenditures made since the previous report and the balance of unexpended corporate funds as of the date of such report.

(iii) *Secretary.* The secretary of the corporation shall be the Secretary of RCRC.

The Secretary shall oversee the preparation and safekeeping of the minutes of meetings of the Board, the corporate seal and of such other records as may be required by these Bylaws or the Board. The Secretary shall be responsible for filing all necessary corporate reports with appropriate governmental regulatory agencies in a timely manner and shall promptly notify the Board of communications with such agencies.

(iv) *Additional officers.* The President shall have the right to appoint additional officers as needed. Such officers shall have a term of three years, unless otherwise removed from office by the President.

Section 7. Indemnification.

(a) To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, agents and other persons described in Section 5238(a) of 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 Section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described by that Section. "Expenses" as used herein, shall have the same meaning as in Section 5239(a) of the California Corporations Code.

(b) On written request to the Board by any person seeking indemnification under Section 5238(b) or (c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) thereof whether the applicable standard of conduct set forth in Section 5238(b) or (c) thereof has been met and, if so, the board shall authorize indemnification.

(c) To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification hereunder in defending any proceeding covered hereby shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

(d) This section does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may be also be an agent of the corporation. Nothing contained herein shall limit any right to indemnification to which such a trustee, investment manager or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law.

(e) Any amendment, repeal or modification of any provision of this section shall not adversely affect any right or protection of a director, officer, employee or agent of the corporation existing at the time of such amendment, repeal or modification.

Section 8. Fidelity Bonds; Insurance

(a) *Bonds.* The President and the Chief Financial Officer shall post a fidelity bond in the amount to be fixed by the Board. The President may at any time require any officer or employee to post a bond in an amount determined by the President. Any other officer or employee authorized to handle funds of the corporation may be required to post a bond as a precondition to the discharge of any such functions. Premiums for any bond required pursuant to this paragraph shall be paid by the corporation.

(b) *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 against any liability asserted against or incurred by any 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.

Section 9. Records and Reports.

(a) *Maintenance and Inspection Rights.* The corporation shall keep adequate and correct books and records of account, written minutes of meetings and a record of directors' names and addresses. The corporation shall keep at its principal office the original or a copy of the Articles of Incorporation and these Bylaws as amended to date. Every director and officer shall have the absolute right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties and the records of each, if any, subsidiary. 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.

(b) *Annual Report*

(i) The Board shall cause an annual report to be made within 120 days after the end of the corporation's fiscal year, containing the following information in appropriate detail for the fiscal year: (A) assets and liabilities, including trust funds, of the corporation as of the end of the fiscal year; (B) principal changes in assets and liabilities, including trust funds; (C) revenue or receipts of the corporation, both unrestricted and restricted to

particular purposes; (D) expenses or disbursement of the corporation for both general and restricted purposes; and (E) any other information required by these Bylaws. The annual report shall be accompanied by any report on it of independent accountants or, if there is none, by the certificate of the Chief Financial Officer that the report was prepared without audit from the corporation's books and records. This requirement of an annual report shall not apply if the corporation received less than \$25,000 in gross receipts during the fiscal year; provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors who request it in writing.

(ii) 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 or indemnification of the following kind within 120 days after the end of the corporation's fiscal year:

(A) Any transaction (1) in which the corporation, its parent or its subsidiary was a party, (2) in which an "interested person" had a direct or indirect material financial interest and (3) which involved more than \$50,000 or was one of a number of transactions with the same interested person involving, in the aggregate, more than \$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 more common directorship shall not be considered such an interest); or (b) any holder of more than 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 interested persons involved, their relationship to the corporation, the nature of their interest in the transaction and, if practical, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(B) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation hereunder.

Section 10. 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 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.

Section 11. Amendments. Subject to the provisions of these Bylaws set forth herein, the Board may adopt, amend or repeal bylaws. The Boards may not extend the term of a director beyond that for which the director was elected except by re-electing such director as provided herein. 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 that greater vote.

Section 12. Certificate of Secretary.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Golden State Natural Resources, Inc., a California nonprofit public benefit corporation, that the above Bylaws, consisting of 10 pages, are the Bylaws of this corporation as adopted by the Board of Directors on May 2, 2019 and that they have not been amended or modified since that date.

Executed on May 2, 2019 at Death Valley, California

Craig Ferguson, Secretary