

KELSEYVILLE BUSINESS ASSOCIATION BYLAWS

ARTICLE I

General

Section 1: Name This organization is incorporated under the laws of the State of California and shall be known as the Kelseyville Business Association.

Section 2: Purpose The purpose of the Kelseyville Business Association shall be to work together to maintain our town as a safe, clean and attractive place in which to live and an appealing destination for visitors. We will promote economic growth through solicitation of new businesses, patronizing current business establishments and by maintaining our environment to encourage newcomers, while increasing civic pride in the greater Kelseyville area.

Section 3: Area The unincorporated area of Kelseyville.

Section 4: Limitation of Methods The Kelseyville Business Association shall observe all local, state and federal laws which apply to a non-profit organization as defined by the Internal Revenue Code.

ARTICLE II

Membership

Section 1: Eligibility Any person, association, corporation, partnership or estate having an interest in the objectives of the organization shall be eligible to apply for membership.

Section 2: Approval Applications for membership shall be in writing, on forms provided for that purpose, and signed by the applicant. Approval of members shall be by the Board of Directors at any meeting thereof. Any applicant so approved shall become a member upon payment of the regularly scheduled dues as provided in Section 3 of Article II.

Section 3: Dues Membership dues shall be at such rate or rates, schedule or formula as may be from time to time prescribed by the Board of Directors, payable in advance. Duration of dues shall be for a minimum of 12 months. Date due shall be the first of February each year.

Section 4: Voting In any proceeding in which voting by members is called for each member, firm, association or corporation in good standing shall be entitled to one vote. A member whose dues are currently paid in full and whose membership status is not in official contention is a member in good standing.

Section 5: Honorary Membership May be any person that the voting members feel has contributed in extraordinary ways to the association and/or its events and activities and/or whose presence or advice could be beneficial to the Association. Honorary members shall have all the privileges of members, except the right to vote, and shall be exempt from payment of dues. The Board of Directors shall confer or revoke honorary membership by a majority vote.

ARTICLE III

Meetings

Section 1: Annual Meeting The annual meeting of the association, in compliance with state law, shall be held during January of each year. The time and place shall be fixed by the Board of Directors and notice thereof mailed to each member no later than five days before said meeting.

Section 2: Additional Meetings General meetings shall be called by the Board of Directors, but no less than six per year and in addition up to six social meetings per year.

Section 3: Quorums At any duly called general meeting the presence in person of ten percent of the members in good standing entitled to cast a vote and a majority of the board shall constitute a quorum for the transaction of business.

Section 4: Notices, Agendas, Minutes Written notice of all meetings must be mailed at least five (5) days in advance unless otherwise stated. An advance agenda must be prepared for all meetings.

ARTICLE IV Board of Directors

Section 1: Composition of the Board The Board of Directors shall be composed of seven (7) members. These are the elected officers of the association. These officers will be elected annually for a period of one calendar year by a majority of the members in good standing at the annual meeting either by physical vote or by a written proxy. Nominations of officers will be in writing prior to the annual meeting. The Board is comprised of The Immediate Past President, President, First Vice-President, Second Vice-President, Secretary, Treasurer and a Community Representative. The government and policy-making responsibilities of the association shall be vested in the Board of Directors, which shall be responsible for its finances, and direct its affairs. No person shall hold or be elected to the same office for more than two (2) consecutive terms.

Section 2: Executive Committee The Executive Committee shall act for and on behalf of the Board of Directors when the Board is not in session but shall be accountable to the Board for its actions. It shall be composed of the President, Past President, First Vice-President, Second Vice-President and the Community Representative.

Section 3: Fiscal Authority The fiscal authority to purchase goods and/or services may be delegated from time to time provided however that any expenditures exceeding \$1,000.00 shall require two (2) signatures.

ARTICLE V Committees

Section 1: Appointment and Authority The President, by and with the approval of the Board of Directors, shall appoint all committees and committee chairpersons.

Section 2: Limitation of Authority No action by any member, committee, division, employee, director or officer shall be binding upon, or constitute an expression of the policy of the association until it shall have been approved or ratified by the Board of Directors.

ARTICLE VI Parliamentary Authority

Section 1: The rules contained in the latest edition of the "Robert's Rules of Order" shall govern the association in all cases to which they are applicable and in which they are not inconsistent with the By-Laws of the Association.

Section 2: In the event that it would be decided to dissolve the non-profit corporation, Kelseyville Business Association, the California Corporations Code will govern the dissolution.

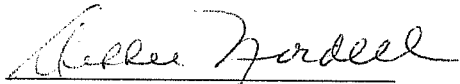
ARTICLE VII
Method of Amending By-Laws

Section 1: These By-Laws may be amended by a two-thirds majority of votes received in any manner, i.e. phone, mail or by presence from members in good standing. Notice of a proposed amendment must be mailed five (5) days prior before the regular general meeting at which this will be voted upon.

Certification of Secretary

I, the undersigned, do hereby certify that I am the duly elected and acting Secretary of the Kelseyville Business Association, Inc., a California non-profit corporation and that the foregoing by-laws constitute the by-laws of said corporation as duly adopted at a meeting of its members duly held on March 3, 2003, 2003.

As witness thereof, I subscribe my name this 5th day of May, 2003.


Secretary