

BYLAWS OF
LOS AMIGOS BASEBALL ASSOCIATION OF SANTA MONICA

a California Nonprofit Public Benefit Corporation

ARTICLE I

NAME AND LOCATION

1. Name

The name of this corporation shall be the Los Amigos Baseball Association of Santa Monica ("**Corporation**").

2. Mailing Address and Principal Office

The principal address of the Corporation is 2633 Lincoln Boulevard, Santa Monica, California 90405, telephone 310.314.7578, web site www.smpony.com. The principal office may be changed to another location in the State of California by resolution adopted by the Board.

ARTICLE II

PURPOSES AND LIMITATIONS

1. Purposes

The Corporation is organized and operated exclusively for charitable purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code. The specific purpose of the Corporation is to develop, promote, govern and operate a baseball league for children in Santa Monica, California, between the ages of 5 and 14. It is intended that such league will, in general, promote recreational and amateur baseball for children and will discourage juvenile delinquency, provide a format for educational activities and instill in children the importance of cooperation, teamwork and respect for oneself and others. The season for this Corporation's baseball league shall run from February 1 to August 31 of each year.

ARTICLE III MEMBERSHIP

1. Members

The Corporation shall have no members. Any action which would otherwise require approval by members shall only require approval of the Board. All rights which would otherwise vest in the members shall vest in the Board.

2. Associates

A. Nothing in this Article III shall be construed as limiting the right of the Corporation to refer to persons associated with it as "members" even though such persons are not members, and no such reference shall constitute anyone a "member" within the meaning of Section 5056 of the California Nonprofit Corporation Law. The Corporation may confer by amendment of its Articles of Incorporation ("**Articles**") or of these Bylaws some or all of the rights of a member, as set forth in the California Nonprofit Corporation Law, upon any person or persons who do not have the right to vote for the election of Directors or on a disposition of substantially all of the assets of the Corporation or on a merger, on a dissolution or on changes to the Articles or Bylaws, but no such person shall be a "member" within the meaning of said Section 5056.

B. The parents, and legal guardians, of the children who are or will be playing in the Corporation's baseball league in any particular season shall be deemed the "Associates" of the Corporation for the Corporation's fiscal year in which the season occurs.

C. Prior to August 31 of each year, the Board shall conduct a meeting of the Associates from the most recent baseball season which has just concluded or is about to conclude ("**Associates Meeting**"). At the Associates Meeting, the Associates, by majority vote of those Associates present, shall recommend Directors and Officers for the Corporation for the upcoming baseball season and shall offer suggestions regarding operation of the league during the upcoming

baseball season. Such recommendations shall not be binding upon the Board, but the Board shall carefully consider such recommendations.

3. Eligible Children

In order for a child to play in the Corporation's baseball league, the child must be at least 5 years old by April 30 of the calendar year in which the season occurs and cannot be 15 years old sooner than April 30 of such year. At the end of each baseball season, and no later than the Board's annual meeting, the Board shall determine how many children can play in the Corporation's baseball league during the next season based upon playing field availability and other relevant factors. The Board shall establish procedures and guidelines for children to be signed up to play in the Corporation's baseball league. The priority shall be granted to age eligible children on a first come first serve basis as long as spaces are available. The Board shall have the authority to allow additional age eligible children to join the baseball league for a particular season at any time based upon available space.

ARTICLE IV

BOARD OF DIRECTORS

1. General Corporate Powers

Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors ("Board"). The Board may delegate the management of the activities of the Corporation to any person or persons, or committees however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

2. Specific Powers

Without prejudice to the general powers set forth in Article IV, Section 1 of these Bylaws, but subject to the same limitations, the Directors shall have the power to:

A. Appoint and remove, at the pleasure of the Board, any or all of the Corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with law, with the Articles, and with these Bylaws; and fix their compensation, if any, and require from them any security as the Board, in its sole and absolute discretion, deems necessary or appropriate to ensure faithful performance of their duties.

B. Change the Corporation's principal office or principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country and conduct its activities within or outside California; and designate any place within or outside California for holding any meeting of the Board.

C. Conduct, manage and control the affairs and business of the Corporation, and to make such rules and regulations not inconsistent with law, with the Articles and with the Bylaws, as they deem best.

D. Carry out the purposes of the organization, and coordinate implementation of the resolutions of the organization.

E. Establish and dissolve committees, and receive reports from committees and others, as appropriate.

F. Adopt and use a corporate seal; and alter the forms of the seal.

G. Approve the Corporation's budget and oversee its income and expenditures; and 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 evidence of debt and security.

3. Number

The Board shall consist of at least two (2) but no more than nineteen (19) Directors until changed by amendment to these Bylaws. The exact number of Directors shall be fixed, within these limits, initially by resolution adopted by the Incorporator and thereafter by resolution adopted by the Board.

4. Designation and Term of Office

The initial Directors of this Corporation shall be designated by resolution by the Incorporator of this Corporation. These initial Directors shall hold office until the first annual meeting of the Directors of this Corporation and may appoint additional Directors to serve during the first year prior to the first annual meeting. Any such additional Directors appointed during the first year shall also be deemed initial Directors for purposes of these Bylaws. At the first annual meeting of the Directors of this Corporation, the initial Directors shall elect, by a majority vote, new Directors, who may include initial Directors, giving due consideration to the recommendations made by the Associates at the most recent Associates Meeting. The terms for the new Directors and all subsequent Directors shall be one year. Each year the then current Directors shall elect, by majority vote, new Directors at the annual meeting of the Directors giving due consideration to the recommendations made by the Associates at the most recent Associates Meeting.

5. Vacancies

A. A vacancy or vacancies on the Board shall exist upon the occurrence of any of the following: (i) expiration of the term of office; (ii) the death or resignation of a Director; (iii) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by an order of court, 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; or (iv) the vote of a majority of the Directors then in office to remove any Director.

B. Vacancies on the Board may be filled by a majority of a quorum of the Directors then in office.

6. Resignation

Except as provided below, any Director may resign by giving written notice to the Board's Chief Executive Officer or its Secretary. The resignation shall be effective when the notice is given, unless it specifies a later time for the resignation to become effective. Except on notice to the Attorney General of California, no Director may resign if the Corporation would then be left without a duly designated or elected Director or Directors.

7. Reduction of Number of Directors

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

8. Annual Meetings

The Board shall hold an annual meeting for the purpose of organization, selection of officers, appointment of Directors, and the transaction of other business. The Board's annual meeting shall be held on the third Thursday of each September as noticed in accordance with these Bylaws. The annual meeting shall be held at a location to be designated by the President.

9. Regular Meetings

The Board shall meet regularly at least once a month during the months of February through August, inclusive. The Board shall provide by resolution the time and place, within the State of California, for the holding of regular meetings of the Board without other notice than such resolution.

10. Special Meetings

Special meetings of the Board may be called for any purpose by the President or by the written request of any Director. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of California, as the place for holding any special meeting of the Board called by them.

11. Notice

A. Notice of annual meetings and any special meeting of the Board shall be given to each Director by one of the following methods: (i) by personal delivery of written notice; (ii) by first-class mail, postage prepaid; (iii) by telephone, including facsimile, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director; or (iv) by electronic mail. All such notices shall be given or sent to the Director's address, electronic mail box or telephone number as shown on the records of the Corporation.

B. Notices sent by first-class mail shall be deposited in the United States mail at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic mail shall be delivered, telephoned, or transmitted at least 24 hours before the time set for the meeting.

C. The notice shall state the time and place of the meeting. It need not specify the purpose of the meeting.

12. Quorum

A majority of the authorized number of Directors then in office shall constitute a quorum for the transaction of Corporation business, except to adjourn. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in these Bylaws and subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (i) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (ii) approval of certain transactions between Corporations having common Directorships, (iii) creation of and appointments to committees, and (iv) 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 at least a majority of the required quorum for that meeting.

13. Waiver of Notice

Notice of a meeting need not be given to any Director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any Director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

14. Adjournment

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

15. Notice of Adjourned Meeting

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 the adjourned meeting, to the Directors who were not present at the time of adjournment.

16. Action Without Meeting

Any action that the Board is required or permitted to take may be taken without a meeting if all members of the Board consent in writing to the action; provided, however, that the consent of any Director who has a material financial interest in a transaction to which the Corporation is a party and who is an "interested director" as defined in Section 5233 of the California Corporations Code shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes of the proceedings of the Board.

Furthermore, any meeting, whether regular or special may be held by conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting. For the purposes of this Paragraph, "hear" shall include communication appropriate to the hearing-impaired.

17. Compensation

Directors as such shall not receive any stated salaries for their services.

18. Committees

The Board may appoint one or more committees, each consisting of at least two Directors, and delegate to such committees any of the authority of the Board, except with respect to:

- A. The approval of any action for which the California Nonprofit Public Benefit Law also requires approval of a majority of the Board;
- B. The filling of vacancies on the Board or any committee;
- C. The fixing of compensation of the Directors for serving on the Board or on any committee;
- D. The amendment or repeal of Bylaws or the adoption of the new Bylaws;
- E. The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;
- F. The appointment of other committees of the Board or the members thereof;
- G. The expenditure of Corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected; or
- H. The approval of any self-dealing transaction, as such transactions are defined in Section 5233(a) of the California Nonprofit Public Benefit Corporation law.

Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of a quorum of the authorized number of Directors then in office. All committees will be chaired by a Director of the Corporation.

The Board shall have the power to prescribe the manner in which the proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of this Article IV applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee. Members of committees shall receive no compensation for their services, but may be reimbursed for expenses in the discretion of the Board.

ARTICLE V

OFFICERS

1. Officers

The officers of the Corporation shall be a president (chief executive officer), a secretary, and a treasurer (chief financial officer). These offices may be held jointly by two individuals. The Corporation may also have, at the discretion of the Board, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be elected or appointed in accordance with the provisions of Section 3 of this Article V. Any number of offices may be held by the same person except as provided in the Articles and except that neither the secretary nor the treasurer may serve concurrently as the president.

2. Election

At each annual Board meeting following adoption of the Bylaws and provided there is a quorum, the Board shall review and elect, by majority vote, the officers giving due consideration to the recommendations made by the Associates at the most

recent Associates Meeting. The officers of the Corporation shall serve at the pleasure of the Board and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected.

3. Subordinate Officers

The Board may elect, and may empower the president to appoint, such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws.

4. Removal and Resignation

Any officer may be removed, either with or without cause, by the Board at any time or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment of the officer.

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

5. Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

6. President (Chief Executive Officer)

The president is the chief executive officer of the Corporation and has, subject to the control of the Board, general supervision, direction, and control of the business and affairs of the Corporation. The president shall preside at all meetings of the Board and exercise and perform such other powers and duties as may be from time to time assigned by the Board.

7. Vice President(s)

In the absence or disability of the president, the vice president(s), if any are appointed, in order of their rank as fixed by the Board, or, if not ranked, the vice president designated by the Board, shall perform all the duties of the president and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president. The vice president(s) shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board.

8. Secretary

The secretary shall keep or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of the Board and its committees, with the time and place of holding whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Board and committee meetings, and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of the Corporation's Articles and Bylaws, as amended to date.

The secretary shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by these Bylaws or by law to be given, shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

9. Treasurer (Chief Financial Officer)

The treasurer is the chief financial officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation. The books of account shall at all times be open to inspection by any Director.

The treasurer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. The treasurer shall disburse the funds of the Corporation as may be ordered by the Board of the Board, shall render to the president and the Directors, whenever they request it, an account of all transactions as treasurer 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.

ARTICLE VI

AMENDMENTS

1. Power of Directors to Amend Bylaws

A. The Bylaws of this Corporation may be amended, repealed, or added to, or new Bylaws may be adopted by a vote of two-thirds (2/3) of the Board. Notice of any such proposed action shall be given to each Director in accordance with the provisions of Section 11 of Article IV of these Bylaws regarding notice of special meetings.

B. Any provision of these Bylaws providing for the designation or selection rather than election, of any Director or Directors may be adopted, amended, or repealed by the Board, subject to the consent of the person or persons entitled to designate or select any such Director.

ARTICLE VII

DISSOLUTION

The properties and assets of this nonprofit Corporation are irrevocably dedicated to public benefit and/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 Director of this Corporation. On liquidation or dissolution, all properties and assets remaining after payment of, or provision for payment of, all debts and liabilities of this Corporation shall be distributed and paid over to one or more nonprofit funds, foundations, or Corporations organized and operated exclusively for charitable and/or public purposes and that have established their tax exempt status under Internal Revenue Code Section 501 (c)(3) and California Revenue and Taxation Code Section 23701 (d).

ARTICLE VIII

INDEMNIFICATION

1. Definitions

For the purposes of this Article VIII, "agent" means any person who is or was a Director, officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a Director, officer, employee, or agent of another foreign or domestic Corporation, partnership, joint venture, trust, or other enterprise, or was a Director, officer, employee, or agent of a foreign or domestic Corporation which was a predecessor Corporation of the Corporation or of another enterprise at the request of such predecessor Corporation; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under Section 4 or 5 of this Article VIII.

2. Indemnification in Actions by Third Parties

The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Corporation to procure a judgment in its favor, an action brought under Section 5238 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General or a person granted relater 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 the Corporation, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation-or that the person had reasonable cause to believe that the person's conduct was unlawful.

3. Indemnification in Action by or in the Right of the Corporation

The Corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Corporation, or brought under Section 5238 of the California Nonprofit Benefit Corporation Law, or brought by the Attorney General or a person granted relater status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reasons of the fact that such person is or was an agent of the Corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent

person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3:

A. In respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable to the Corporation in the performance of such person's duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

B. Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

C. Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

4. Indemnification Against Expenses

To the extent that an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Section 2 and 3 of this Article VIII or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

5. Required Determinations

Except as provided in Section 4 of this Article VIII, any indemnification under this Article VIII shall be made by the Corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or 3 of this Article VIII, by:

A. A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or

B. The court in which such proceeding is or was pending upon application made by the Corporation or the agent or the attorney or other person

rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the Corporation.

6. Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article VIII.

7. Other Indemnifications

No provision made by the Corporation to indemnify its or its subsidiary's Directors or officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of Directors, an agreement, or otherwise, shall be valid unless consistent with this Article VIII. Nothing contained in this Article VIII shall affect any right to indemnification to which persons other than such Directors and-officers may be entitled by contract or otherwise.

8. Forms of Indemnification Not Permitted

No indemnification or advance shall be made under this Article VII, except as provided in Section 4 or 5, in any circumstances where it appears:

A. That it would be inconsistent with a provision of the Articles, these Bylaws, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

B. That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

9. Insurance

The Corporation shall have power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of this Article VIII; provided, however, that a Corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the Corporation for a violation of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

10. Non-Applicability to Fiduciaries of Employee Benefit Plans

This Article VIII does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in such person's capacity as such, even though such person may also be an agent of the Corporation as defined in Section 1 of this Article VIII. The Corporation shall have the power to indemnify such trustee, investment manager, or other fiduciary to the extent permitted by subdivision (f) of Section 297 of the California General Corporation Law.

ARTICLE IX

RECORDS AND REPORTS

1. Maintenance of Corporate Records

The Corporation shall keep:

- A. Adequate and correct books and records of account; and
- B. Written minutes of the proceedings of its Board, and committees of the Board.

2. Inspection by Directors

Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind and physical

properties. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

3. Annual Report

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

- A. The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.
- B. The principal changes in assets and liabilities, including trust funds.
- C. The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes.
- D. The expenses or disbursements of the Corporation for both general and restricted purposes.
- E. Any information required by Section 4 of this Article IX.
The annual report shall be accompanied by any report on it 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 Corporation's books and records.

This requirement of an annual report shall not apply if the Corporation receives 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.

4. Annual Statement of Certain Transactions and Indemnifications

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

A. Any transaction (i) in which the Corporation was a party, (ii) in which an "interested person" had a direct or indirect material financial interest, and (iii) which involved more than \$1,000, or was one of a number of transactions with the same person involving, in the aggregate, more than \$1,000. For this purpose, an "interested person" is any Director or officer of the Corporation. The statement shall include a brief description of the transaction, the names of interested person involved, their relationship to the Corporation, the nature of their interest in the transaction, and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

B. Any indemnifications or advances aggregating more than \$1,000 paid during the fiscal year to any officer or Director of the Corporation under Article VIII.

ARTICLE X

MISCELLANEOUS

1. 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.

2. Contracts with Directors and Officers

A. The Corporation shall not be a party to any contract or transaction (a) in which one or more of its Directors or officers has a material financial interest; or (b) with any Corporation, firm, or association, or other entity in which one or more of its Directors or officers has a material financial interest; or (c) with any Corporation, firm, association, or other entity (other than a California nonprofit public benefit Corporation) in which one or more of its Directors is a director; unless (i) the material facts concerning

the contract or transaction and such Director's or officer's financial interest or common Directorship are fully disclosed in good faith and are noted in the minutes; (ii) such contract or transaction is authorized or approved in good faith by a majority vote of the Board without counting the vote of such interested Directors or officers; (iii) prior to authorizing or approving the contract or transaction, the Board considers and in good faith determines after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable investigation under the circumstances or that the contract or transaction implements a charitable program of this Corporation; (iv) this Corporation enters into the contract or transaction for its own benefit; and (v) the contract or transaction is fair and reasonable to this Corporation or implements a charitable program of the Corporation at the time the contract or transaction is entered into.

A. Director or officer of this Corporation shall not be deemed to have a "material financial interest" in a contract or transaction that implements a charitable program of this Corporation solely because such a contract or transaction results in a benefit to a Director or officer or their families by virtue of their membership in the class of persons intended to be benefited by the charitable program of this Corporation, as long as the contract or transaction is approved or authorized by the Corporation in good faith and without unjustified favoritism.

B. The provisions of this section do not apply to a transaction which is a part of a public or charitable program of the Corporation if it: (i) is approved or authorized by the Corporation in good faith and without unjustified favoritism; and (ii) results in a benefit to one or more Directors or officers or their families because they are in the class of persons intended to be benefited by the public or charitable program of this Corporation.

3. Loans to Directors and Officers

The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or officer, unless approved by the Attorney General of the State of California; provided, however, that the Corporation may advance money to a Director or officer of the Corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such Director or officer, and provided that in the absence of such advance, such Director or

officer would be entitled to be reimbursed for such expenses by the Corporation.

4. Mutual Directors

No contract or other transaction between the Corporation and any California nonprofit public benefit Corporation is either void or voidable because such Director(s) are present at a meeting of the Board which authorizes, approves, or ratifies the contract or transaction if the material facts as to the transaction and as to such Director's other Directorship are fully disclosed to the Board and the Board authorizes, approves, or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s), or if the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified.

5. Endorsement of Documents and Contracts

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the Corporation and any other person, when signed by the Chief Executive Officer and any other officer of the Corporation shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of LOS AMIGOS BASEBALL ASSOCIATION OF SANTA MONICA, a California Nonprofit Public Benefit Corporation, that the above Bylaws, consisting of twenty-two (22) pages, are the Bylaws of this Corporation as adopted by the Incorporator as of December 30, 1998 and revised December 14, 2006.

Executed as of December 30, 1998 by Rebecca Upchurch and revised December 14, 2006,
at Santa Monica, California by Nancy Tyre.

Nancy Tyre, Secretary