

**AMENDED AND RESTATED BYLAWS OF
PACIFIC FOREST AND WATERSHED LANDS STEWARDSHIP COUNCIL
a California Nonprofit Public Benefit Corporation**

**ARTICLE I
NAME**

The name of this corporation shall be: **Pacific Forest and Watershed Lands Stewardship Council** (the “**Corporation**”).

**ARTICLE II
PURPOSE**

The charitable purposes of this Corporation shall be (i) to oversee and carry out the Land Conservation Commitment established by the Settlement Agreement by and among Pacific Gas and Electric Company (“**PG&E**”), PG&E Corporation and the California Public Utilities Commission (the “**Commission**”), dated December 19, 2003 (the “**Settlement Agreement**”) and the Stipulation Resolving Issues Regarding the Land Conservation Commitment, dated September 25, 2003, filed with the Commission (the “**Stipulation**”), and (ii) to provide funds for the purpose of providing a wilderness experience for urban youth, especially disadvantaged urban youth, and for the purpose of acquiring and maintaining urban parks and recreation areas.

**ARTICLE III
PRINCIPAL OFFICE**

Section 1. Principal Office. The principal office for the transaction of the business of the Corporation (“principal executive office”) shall be fixed and located at such place as the board of directors (the “**Board**”) shall determine. The Board may change the principal executive office from one location to another. Any change of this location shall be noted by the Secretary on these bylaws opposite this section, or this section may be amended to state the new location.

Section 2. Other Offices. The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to do business.

**ARTICLE IV
MEMBERSHIP**

Section 1. Members. The Corporation shall have no members. Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board. All rights which would otherwise vest in the members shall vest in the Board.

Section 2. Associates. Nothing in this Article IV 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, as amended from time to time (the “**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 or on a dissolution or on changes to the Corporation’s Articles or bylaws, but no such person shall be a member within the meaning of said Section 5056.

ARTICLE V DIRECTORS

Section 1. Powers. Subject to limitations of the Articles and these bylaws, the activities and affairs of the Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of the Corporation to any person or persons, a management company, 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. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these bylaws or statute:

(a) To select and remove all the other officers, agents, and employees of the Corporation, prescribe powers and duties for them as may not be inconsistent with law, the Articles, or these bylaws, fix their compensation, and require from them security for faithful service.

(b) To conduct, manage, and control the affairs and activities of the Corporation and to make such rules and regulations therefor not inconsistent with law, the Articles, or these bylaws, as they may deem best.

(c) To adopt, make, and use a corporate seal and to alter the form of such seal from time to time as they may deem best.

(d) To borrow money and incur indebtedness for the purposes of the Corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.

(e) To adopt, amend and repeal the bylaws of the Corporation.

(f) To appoint, from time to time, additional or successor directors; provided, however, that such power shall not diminish the right of any Constituent or Non-Voting Constituent (as defined below in Section 2 of this Article V) to appoint its representative member to the Board.

(g) To raise funds.

(h) To undertake all other activities appropriate to implement the purpose of the Corporation, stated above in Article II.

Section 2. Number of Directors. The Board shall have seventeen (17) directors, consisting of one director appointed by each of the following constituents: (i) PG&E; (ii) the Commission; (iii) the California Department of Fish and Game; (iv) the State Water Resources Control Board; (v) the California Farm Bureau Federation; (vi) the California Resources Agency; (vii) the Central Valley Water Quality Control Board; (viii) the Association of California Water Agencies; (ix) the Regional Council of Rural Counties; (x) the California Hydropower Reform Coalition; (xi) the Trust for Public Land; (xii) the Office of Ratepayer Advocates; and (xiii) the California Forestry Association (each a “**Constituent**” and collectively the “**Constituents**”), three (3) directors appointed by the Commission (each a “**Commission Public Appointee**”) and one (1) director appointed by the Board to represent the interests of Native American tribes (the “**Tribal Representative**”). In addition, the U.S. Department of Agriculture-Forest Service and the U.S. Department of Interior-Bureau of Land Management (together, the “**Non-Voting Constituents**”) shall together designate two (2) liaisons, one of whom may participate in each Board meeting in an advisory and non-voting capacity (together, the “**Non-Voting Liaisons**”). Each Non-Voting Liaison shall be considered a director for all purposes except voting. The directors and the Non-Voting Liaisons shall be elected and removed as provided in Sections 3 and 4 of this Article V.

Section 3. Selection and Term of Office. Unless earlier removed as provided hereunder, each director and each Non-Voting Liaison shall hold office for one (1) year (or, in the case of directors appointed by the Commission, eighteen (18) months) and until a successor has been appointed. Upon the expiration of the term of any director, the Constituent that appointed such director, or in the case of the Non-Voting Liaisons appointed by the Non-Voting Constituents, the Non-Voting Constituents, or in the case of the Tribal Representative, the Board, shall appoint his or her successor. For purposes of clarification, the Commission shall appoint the successor to each of the four (4) directors appointed by the Commission pursuant to Section 2 of this Article V. There shall be no limits on the number of consecutive full or partial terms a director may serve on the Board.

Section 4. Vacancies. Subject to the provisions of Section 5226 of the California Nonprofit Corporation Law, any director may resign effective upon giving written notice to either the Secretary or the Board, unless the notice specified a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective.

Except as provided in Section 5(b) of this Article V, vacancies in the Board shall be filled in the same manner as the director(s) whose office is vacant was selected. Each director so selected shall hold office, unless otherwise removed pursuant to Section 5 of this Article V, until the expiration of the term of the replaced director and until a successor has been selected and qualified.

A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation, or removal of any director or if the authorized number of directors is increased.

The Board may declare vacant the office of a director who has been declared of unsound mind by a final order of court, or convicted of a felony, or found by a final order of judgment of any court to have breached any duty arising under Article 3 of Chapter 2 of Part 2 the California Nonprofit Corporation Law.

Section 5. Removal.

(a) Any director may be removed, with or without cause, by the Constituent that appointed such director, or in the case of the Non-Voting Liaisons, by the Non-Voting Constituents, or in the case of the Tribal Representative, by the Board (excluding the Tribal Representative). In such a case, such Constituent, Non-Voting Constituents or the Board, as applicable, shall appoint a successor. For purposes of clarification, the Commission may remove, with or without cause, any of the four (4) directors appointed by the Commission pursuant to Section 2 of this Article V, and in such case the Commission shall appoint a successor.

(b) The Board (excluding the director who is subject to the removal action) may remove (i) any director who declines or fails to participate in the Board's discussions on a regular basis, or (ii) any director who the Board (or Board Committee designated by the Board) determines has breached the Corporation's Conflict of Interest Policy or Code of Ethics, each as may be amended from time to time, so long as the Board (or Board Committee designated by the Board) determines that removal is an appropriate consequence of such breach. In such a case, the Constituent that appointed such director or the Board, as the case may be, shall appoint a successor.

Section 6. Secondary Representative; Additional Representative.

(a) Any director may appoint one secondary representative who shall have the right to vote or take any action in place of the director who appointed such representative in the absence of and at the election of such director but shall not have an additional vote in any Board decision; provided that:

(1) Any secondary representative appointed by a Commission Public Appointee must be approved by the Commission;

(2) Any secondary representative appointed by the Tribal Representative must be approved by the Board; and

(3) The Non-Voting Liaisons may not appoint secondary representatives.

(b) All secondary representatives properly appointed pursuant to Section 6(a) shall be considered directors for all purposes.

(c) Each director may appoint one or more additional representative(s) who shall have the right to participate in Board discussions in an advisory and non-voting capacity.

Section 7. Place of Meetings. 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.

Section 8. Annual Meetings. The Board shall hold an annual meeting for the purpose of organization, selection of directors and officers and the transaction of other business.

Section 9. Other Regular Meetings. Other regular meetings of the Board shall be held on such dates and at such times as may be fixed by the Board.

Section 10. Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by the President or the Chairman of the Board or any three (3) directors acting together. Special meetings of the Board shall be held upon four (4) days' notice by first-class mail or 48 hours' notice given personally or by telephone, including a voice messaging system or other system of technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means. Any such notice shall be addressed or delivered to each director at such director's address as it is shown upon the records of the Corporation by the director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the receiver.

Section 11. Public Notice of Meetings.

(a) All meetings of the Board, including meeting minutes, shall be public; provided, however, that the Board shall have the authority to undertake a closed meeting in appropriate circumstances. The Board shall publish notice of its meetings in newspapers of general circulation in the affected counties within a reasonable time prior to any meeting and shall maintain a public web site that provides notices of its meetings and copies of all meeting minutes. Upon request, all information available on the web site shall be made available in hard copy to members of the public at cost.

(b) Before the Board makes any decision regarding any individual parcel of land, the Board shall provide notice to the Board of Supervisors of the affected county, each affected city, town and water supply entity, each affected tribe and/or co-licensee and each landowner located within one mile of the exterior boundary of the parcel, by mail or other effective manner within a reasonable time prior to the meeting at which the Board will make the decision regarding that land.

Section 12. Quorum. Presence of a majority of the authorized number of directors at a meeting of the Board constitutes a quorum for the transaction of business, except as otherwise provided in these bylaws.

Section 13. Acts of the Board.

(a) Consensus. The Board shall take action by Consensus (as defined below) of the directors pursuant to the decision-making procedures adopted by the Board from time to time. For purposes of these bylaws, “**Consensus**” shall be defined as any action taken by the Board by affirmation or unanimous written consent for which no Dispute Notice (as defined below) has been submitted. Any director shall be entitled to issue a written notice in any form (whether or not he or she was present at the meeting at which an act of the Board was taken), which notice will specify that the dispute resolution procedure set forth in Section 14 of this Article V will be used in any matter before the Board (a “**Dispute Notice**”), within the period provided in subsection (c) below. In the event that a Dispute Notice is given, Consensus shall be defined as the action taken by the Board after receipt of subsequent notice by the director who gave the Dispute Notice that the procedure specified in Section 14 of this Article V has resolved the dispute.

(b) Reporting to Entities. A director, when acting in his or her capacity as a director, shall not bind the Constituent that such director represents. Consistent with the intent of the Settlement Agreement and Stipulation that the Board prepare a Land Conservation Plan that represents and takes into consideration a diverse set of interests and parties potentially affected by the Land Conservation Commitment, including the interests of the Constituents represented on the Board, each director will report to, and back from, the Constituent he or she represents before the Board takes any programmatic action in order to ensure that any Consensus takes into account the view of that Constituent, provided that each director shall at all times act in accordance with his or her fiduciary duty of loyalty to the Corporation.

(c) Dispute Notice Period. The period during which a director may issue a Dispute Notice with respect to an action of the Board (the “**Dispute Notice Period**”) shall be thirty (30) days following distribution of the minutes of the meeting at which such action was taken; provided, however, that for a Board action approving (i) the selection of a third party service provider, (ii) the award of a Youth Investment Program grant, or (iii) a modification to the terms of a previously awarded Youth Investment Program grant, the Dispute Notice Period shall be five (5) business days following distribution of the minutes of the meeting at which such action was taken; and provided further that for any Board action, the Board may by unanimous consent specify a Dispute Notice Period shorter than that provided by this subsection (c) (but not fewer than five (5) business days following distribution of the minutes of the meeting at which the action was taken).

Section 14. Dispute Resolution. Each director shall make reasonable best efforts to reach a Consensus on every matter before the Board. If a director opposes a decision proposed by another director, the opposing director shall propose an alternative to resolve the matter. In the event that the directors on the Board are unable to agree on one or more matters, any non-agreeing director shall have the right to deliver a Dispute Notice to the Board, stating that a dispute exists and specifying in reasonable detail the nature of such dispute. Within thirty (30)

days following the delivery of any Dispute Notice, the Board shall submit the dispute to one or more independent persons or entities for non-binding mediation. The Board may select each year independent persons or entities that are acceptable to all directors to perform the mediation. If the Board has not pre-selected mediators at the time a Dispute Notice is delivered, or if the pre-selected mediators are not available at that time, the Board will select an independent person or entity acceptable to all directors as soon as possible to perform the mediation. Any such mediation shall be held at the principal executive office of the Corporation or such other place as the Board shall determine. The fees and costs of such mediation shall be borne by the Corporation.

Section 15. Participation in Meetings by Conference Telephone. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

Section 16. Waiver of Notice. Notice of a meeting need not be given to any director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting, without protesting, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 17. Adjournment. A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for 24 hours or less, notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place is fixed at the meeting adjourned. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

Section 18. 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 19. Rights of Inspection. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the Corporation of which such person is a director.

Section 20. Fees and Compensation. Directors and members of committees may receive reasonable compensation for their services as determined by the Board, in amounts fixed or determined by the Board. Reimbursement for expenses incurred in performance of duties may be fixed or determined by the Board.

ARTICLE VI COMMITTEES

Section 1. Committees. Committees may be appointed from time to time by the Board. These committees' membership may consist of directors only, both directors and non-directors, or non-directors only (each, a “**Board Committee**”). Board Committees have no legal authority to act for the Corporation except and to the extent that the Board authorizes a Board Committee or member thereof to take a specific action on behalf of the Board. Board Committees shall report their findings and recommendations to the Board.

Section 2. Audit Committee. The Board shall appoint an audit committee who shall act pursuant to procedures adopted by the Board from time to time.

Section 3. Acts of a Board Committee. Each Board Committee shall act pursuant to procedures adopted by the Board; provided, however, that when the Board has by resolution authorized a Board Committee to take a specific action on behalf of the Board, such Board Committee shall follow the same decision-making procedures adopted by the Board for acts of the full Board or any other decision-making procedures adopted by the Board for such committee.

Section 4. Fees and Compensation. Members of Board Committees may receive reasonable compensation of up to an amount to be determined by the Board. Reimbursement for expenses incurred in performance of duties may be fixed or determined by the Board.

ARTICLE VII OFFICERS

Section 1. Officers. The officers of the Corporation shall be a President, a Secretary and a Chief Financial Officer. The Corporation may also have, at the discretion of the Board, a Chairman of the Board and such other officers as may be appointed in accordance with the provisions of Section 3 of this Article VII. Any number of offices may be held by the same person, except as provided in the Articles or in these bylaws and except that neither the Secretary nor the Chief Financial Officer may serve concurrently as either the President or the Chairman of the Board, and the President may not serve concurrently as the Chairman of the Board.

Section 2. Election. The officers of the Corporation shall be chosen annually by the Board, and each shall serve at the pleasure of the Board.

Section 3. Subordinate Officers. The Board may appoint any other officers 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 bylaws or determined from time to time by the Board.

Section 4. Removal and Resignation. Any officer may be removed, with or without cause, by the Board at any time. 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. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that 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 5. Vacancies. 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 bylaws for regular election or appointment to that office, provided that such vacancies shall be filled as they occur and not on an annual basis.

Section 6. Chairman of the Board. If a Chairman of the Board is elected, he or she 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 bylaws.

Section 7. President. Subject to (a) the supervisory power as the Board may give to the Chairman of the Board, if any, (b) the control of the Board and (c) any authority delegated by the Board to the Executive Director, if any, the President shall be the general manager of the Corporation and shall supervise, direct and control the Corporation's activities, affairs, and officers. In the absence of the Chairman of the Board, or if none, the President shall preside at all Board meetings. The President shall have such other powers and duties as the Board or the bylaws may prescribe.

Section 8. Secretary. The Secretary shall attend to the following:

(a) 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 directors and Board Committees, 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.

(b) Notices, seal and other duties. The Secretary shall give, or cause to be given, notice of all meetings of the Board required by the bylaws to be given. The Secretary shall keep the seal of the Corporation in safe custody. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board or the bylaws.

Section 9. Chief Financial Officer. The Chief Financial Officer shall attend to the following:

(a) 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 of 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 director at all reasonable times.

(b) 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 directors, whenever they

request it, an account of all 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 bylaws.

Section 10. Compensation. Officers may receive such reasonable compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Board.

ARTICLE VIII EXPENDITURES

Section 1. Corporation Expenditures. The Board shall adopt appropriate financial and accounting procedures for its expenditures, including criteria for reimbursement of expenditures by PG&E or any director on the Board for the costs of outside experts, consultants or advisors involved in implementing the Land Conservation Commitment or any other purpose of the Corporation, or for costs charged by a governmental entity with authority over any applications to dispose of property pursuant to Section 851 of the California Public Utilities Code (“**Section 851**”) or the resulting transactions.

Section 2. Reimbursement of and Expenditures for PG&E.

(a) No expenditure of the Corporation’s funds shall be made for compliance with PG&E’s regulatory or other legal duties as owner of the land, including payment of property taxes incident to such ownership.

(b) In the case of a parcel split recommended by the Board, PG&E shall be reimbursed for all costs associated with obtaining approval for the parcel split, including the cost of any condition imposed by a government authority; provided, however, that the Board shall have the right to reject the proposal to split the parcel in lieu of paying the cost of any conditions and to propose an alternative.

(c) PG&E shall not be reimbursed for internal costs associated with preparing the Section 851 applications or participating on the Board.

ARTICLE IX LAND CONSERVATION PLAN

The Board shall prepare and adopt a Land Conservation Plan to implement the Land Conservation Commitment as provided in the Stipulation.

ARTICLE X RECORDS AND REPORTS

Section 1. Corporate Records. The Corporation shall keep:

(a) Adequate and correct books and records of accounts;

and (b) Written minutes of the proceedings of its Board and Board Committees;

(c) The original or a copy of the Articles and bylaws, as amended, to date.

Section 2. Annual Report.

(a) Financial statements shall be prepared as soon as reasonably practicable after the close of the fiscal year. The financial statements shall contain in appropriate detail the following:

(1) The assets and liabilities, including trust funds, of this 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 this Corporation, both unrestricted and restricted to particular purposes, for the fiscal year;

(4) The expenses or disbursements of this Corporation, for both general and restricted purposes during the fiscal year;

(5) Any transaction during the previous fiscal year to which this Corporation or a subsidiary was a party and in which any directors or officers of the Corporation or subsidiary had or has a direct or indirect material financial interest. The report must disclose the names of the interested persons involved in such transaction, stating such person's relationship to the Corporation, the nature of such person's interest in the transaction and, where practicable, the amount of such interest; and

(6) The amount and circumstances of any indemnification or advances paid during the fiscal year to any officer or director of the Corporation.

(b) Such financial statements shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

(c) To the extent required by law, a report including the financial statements prescribed above shall be furnished annually to all directors of the Corporation.

Section 3. Reports to the Commission. The Board shall provide progress reports to the Commission as provided in the Stipulation.

ARTICLE XI OTHER PROVISIONS

Section 1. Endorsement of Documents; 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 Secretary, the Chief Financial Officer, or such other officer as is delegated such authority by the Board, 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 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. The Corporation is under no obligation to enter into contracts for goods and services with any individual or for-profit entity that may have created or sponsored it.

Section 2. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these bylaws.

Section 3. Amendments. These bylaws may be amended or repealed by Consensus of the Board; provided, however, that the requirement of Consensus and the dispute resolution provisions set forth in Sections 13 and 14 of Article V, respectively, shall only be amended by unanimous vote of the directors.

Section 4. Fiscal Year. The fiscal year of this Corporation shall be determined by resolution of the Board.

Section 5. Corporate Seal. This Corporation may have a seal which shall be specified by resolution of the Board.

ARTICLE XII INDEMNIFICATION

Section 1. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its directors, officers, employees, and other persons described in Section 5238(a) of the California Nonprofit Corporation Law, 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 that 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 in that Section. “**Expenses**,” as used in this bylaw, shall have the same meaning as in Section 5238(a) of the California Nonprofit Corporation Law.

Section 2. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Nonprofit Corporation Law, the Board shall promptly determine under Section 5238(e) of the California

Nonprofit Corporation Law whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, 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, shall determine under Section 5238(e) of the California Nonprofit Corporation Law whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the court shall authorize indemnification.

Section 3. Advancement of Expenses. 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 under Sections 1 and 2 of this Article XII in defending any proceeding covered by those sections 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.

Section 4. Insurance. The Corporation shall purchase and maintain insurance to the extent available at commercially reasonable rates and amounts to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted 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.

ARTICLE XIII DEDICATION OF ASSETS

The property of this Corporation is irrevocably dedicated to charitable and public purposes and no part of the net earnings or assets of this Corporation shall inure to the benefit of (or be distributable to) any director or officer of this Corporation or other private person, except that this Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its charitable and public purposes.

ARTICLE XIV
CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting Secretary of PACIFIC FOREST AND WATERSHED LANDS STEWARDSHIP COUNCIL, a California nonprofit corporation, and the above bylaws, consisting of 13 pages (not including this page) are the bylaws of this Corporation effective June 16, 2009 as adopted by the Board of this Corporation on June 16, 2009.

DATED: _____, 20__

Randal S. Livingston, Secretary