

COPY

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ARTICLES OF INCORPORATION

ENDORSED - FILED
in the office of the Secretary of State
of the State of California

DEC 08 2006

I

The name of this corporation is Tehachapi Cummings Land Trust.

II

A. 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.
- or () charitable purposes.
- or (x) public and charitable purposes.

B. The specific purpose of this corporation is to to acquire, hold, operate and dispose of land or conservation easements on land of agricultural, historical, recreational, educational, scenic, ecological, or other environmental value to assist in the preservation of such land for the public benefit, and to disseminate information concerning the benefits of such preservation.

III

The name and address in the State of California of this corporation's initial agent for service of process is:

Name Charles N. McCollough
 Address P.O. Box 1020
 City Tehachapi State **CALIFORNIA** Zip 93581-1020

IV

- A. This corporation is organized and operated exclusively for **charitable** purposes within the meaning of Section 501(c)(3), Internal Revenue Code.
- B. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

V

The property of this corporation is irrevocably dedicated to **charitable** purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for **charitable** purposes and which has established its tax exempt status under Section 501(c)(3), Internal Revenue Code.

Charles N. McCollough
 Charles N. McCollough, Incorporated



By-Laws of Tehachapi Cummings Land Trust

Article I.

Name, Purpose and Principal Office

- 1.1 Name. The name of this corporation is Tehachapi Cummings Land Trust.
- 1.2 Purposes. This corporation is organized under the Nonprofit Public Benefit Corporation Law of California exclusively for charitable and educational purposes. The specific and primary purposes are: (1) to acquire, hold, operate and dispose of land or conservation easements on land of agricultural, historical, recreational, educational, scenic, ecological, or other environmental value within and surrounding the County of Kern Tehachapi area in a manner designed to assist in the preservation of such land for the benefit of the citizens of the County of Kern Tehachapi area; (2) to provide education and disseminate information concerning the values and benefits of preservation, conservation, and retention as open space of such lands; (3) to encourage sound land-use planning for Tehachapi area, and to do all of these things in conformance with the requirements of Section 501(c)(3) of the Internal Revenue Code of 1986 and Sections 23701(d) and 214 of the California Revenue and Taxation Code, each as now in effect or hereafter amended.
- 1.3 Principal Office. The principal office of this Corporation shall be located in Tehachapi in the County of Kern, State of California, at an address to be established by resolution of the Board of Directors.

Article II.

Members

- 2.1 Members. This Corporation shall have two categories of members. The first category shall be known as voting members, and the second category shall be known as associate members and shall have no vote.
- 2.2 Qualifications of Voting Members. The voting members shall be the persons who are the members of the Board of Directors. Death, resignation or removal of any Director automatically terminates membership as a voting member. Election of a successor Director shall make that Director a voting member of the Corporation.
- 2.3 Qualifications of Associate Members. Any person who contributes funds or time to the Corporation shall be an associate member of the Corporation unless he or she is, or becomes, a voting member or rejects associate membership. Election of a person as a voting member shall terminate their membership as an associate member.
- 2.4 Voting and Other Rights. Each voting member of the Corporation shall be entitled to one vote. Associate members shall not be entitled to vote, and no notice of any meeting of the voting membership of the Corporation need be given to any associate member.
- 2.5 Liabilities of Members. No person who is now, or who later becomes a member of this Corporation shall be personally liable to its creditors for any indebtedness or liability, and any and all creditors of this Corporation shall look only to the assets of the Corporation for payment.

Article III.
Board of Directors

3.1 Powers. This Corporation shall have powers to the full extent allowed by law. All powers and activities of this Corporation shall be exercised and managed directly by the Board or, if delegated, under the ultimate direction of the Board.

3.2 Number of Directors. The authorized number of Directors shall be not less than five (5), nor more than seven (7) until changed by an amendment of this section. The exact number of Directors within such limitations shall be established by resolution of the Board of Directors.

3.3 Election and Term of Office of Directors. For the first fiscal year of the Corporation, three (3) of the Directors shall be elected for a term of four (4) years and two (2) of the Directors shall be elected for a term of two (2) years. Thereafter, each Director shall be elected for a term of four (4) years. Each Director shall hold office until the expiration of the term for which elected, and until a successor has been named. With the exception of the Directors for the first fiscal year, subsequent Directors shall be elected at the biennial meeting of the Board of Directors to fill the vacancies then occurring. The Directors shall be elected by the Board of Directors by majority vote of all Directors in office immediately prior to each biennial meeting at which time terms of Directors expire.

3.4 Vacancies. A vacancy shall be deemed to exist in the event that the actual number of Directors is less than the authorized number for any reason. Resignation shall be effective upon receipt of written notice by the Board, the President, the Vice President or the Secretary. The Board may remove any Director with or without cause. Absence of a Director from three (3) or more consecutive regular Board meetings shall constitute a cause for removal. Vacancies may be filled by the Board for the unexpired portion of the term.

3.5 Biennial Meeting. The biennial meeting of the Board of Directors shall be held in the month of December of even numbered years, coincident with the regular December meeting of the Board of Directors at the time and place designated by the Board of Directors.

3.6 Regular Meetings. The Board of Directors, by resolution, may establish a schedule of regular monthly, bimonthly, quarterly, every four months, or semi-annual meetings of the Board of Directors. No notice of such regular meetings shall be required.

3.7 Special Meetings. Special Meetings of the Board of Directors may be called by the President, or by any three (3) Directors, by notice to each of the Directors personally, by telephone, or by e-mail prior to any such meeting. The notice shall state the time, place and subject of such special meeting.

3.8 Quorum. A majority of the Directors then in office shall constitute a quorum. Every act by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board of Directors, unless the Articles of Incorporation, these By-Laws, or the Nonprofit Corporation Law specifically requires a greater number. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for such meeting. Directors may not vote by proxy.

3.9 Standard of Care.

A. General. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (1) One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented;
- (2) Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence;
- (3) A committee of the Board upon which the Director does not serve as to matters within its designated authority, which committee the Director believes to merit confidence, so long as in any such case, the Director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

B. Investments. In investing, re-investing, purchasing, acquiring, exchanging, selling and managing the Corporation's investments, other than assets held for use or used directly in carrying out a public or charitable program of the Corporation, the Board of Directors shall avoid speculation, looking instead to the prudent disposition of the funds, considering the probable income as well as the probable safety of the Corporation's capital.

Unless limited by the Articles or by law, the Corporation may continue to hold property properly acquired or contributed to it. No retention of donated assets violates this section, where such retention was required by the donor in the instrument under which the assets were received by the Corporation.

No investment violates this section by virtue of the investment's speculative character, where the investment conforms to provisions authorizing such investment contained in the instrument or agreement under which the assets were contributed to the Corporation.

3.10 Prohibited Transactions.

A. Loans. This Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or officer; provided, however, that this Corporation may advance money to a Director or officer of this Corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such Director or officer so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

B. Self-Dealing Transactions. Except as provided in Subsection C below, the Board shall not approve a self-dealing transaction. A self-dealing transaction is one to which the Corporation is a party and in which one or more of the Directors has a material financial interest, or a transaction between this Corporation and one or more of the Directors, or between this Corporation and any person in which one or more of its Directors has a material financial interest.

C. Approval. The Board of Directors may approve a self-dealing transaction if the Board determines that the transaction is in the best interests of, and is fair and reasonable to this Corporation, and, after reasonable investigation, determines that this Corporation could not have obtained a more advantageous arrangement with reasonable effort, under the circumstances. Such determinations must be made by the Board, in good faith, with knowledge of the material facts concerning the transaction and the Director's interest in the transaction, and by a vote of a majority of the Directors then in office, without counting the vote of the interested Director.

D. Violations of the Self-Dealing Policy.

1. If the Board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

3.11 Indemnification. This Corporation shall provide indemnification to the full extent allowed by law. The Board of Directors may adopt a resolution authorizing the purchase of insurance on behalf of any agent or Director of this 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 this corporation would have the power to indemnify the agent against the liability under the law.

3.12 Inspection. Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents, and to inspect the physical properties of this Corporation.

3.13 Compensation. At all times, fifty-one percent (51%) or more of the Directors shall be persons who have not been compensated within the previous twelve (12) months by this Corporation for services performed for this Corporation. In this section, the term "persons" includes individuals related by blood or marriage.

There shall be no compensation paid at any time to any Director for service as a Director.

Article IV.
Committees

4.1 Committees of Directors. The Board of Directors may, by resolution adopted by a majority of the Directors then in office, establish committees consisting of two (2) or more Directors, to serve at the pleasure of the Board. Such committee(s) shall have such power and authority as may be determined by the Board of Directors, except that no committee, regardless of Board resolution may:

- (1) Fill vacancies on the Board of Directors or on any committee;
- (2) Expend any Corporate funds for any purpose without the express authorization of the Board of Directors.
- (3) Amend or repeal By-Laws or adopt new By-Laws;
- (4) Amend or repeal any resolution of the Board of Directors;
- (5) Appoint any other committees of the Board of Directors or the members of these committees.

4.2 Advisory Committees. The Board of Directors may create one (1) or more ad hoc advisory committees, consisting of such persons as may be determined by the Board of Directors or appointed by the person designated by the Board to fill the committee(s).

4.3 Meetings. Meetings and actions of committees shall be governed by and held and taken in accordance with the provisions of Article III and Section 6.7 of these By-Laws, with such changes in the context as necessary to substitute the committee and its members for the Board and its members. Each committee shall keep regular minutes of its proceedings, which shall be filed with the Secretary. All action by any committee shall be reported to the Board of Directors at the next meeting thereof.

Article V.
Officers

5.1 Officers. The officers of this Corporation shall be President, Vice President, Secretary and Treasurer. The Corporation may also have, at the discretion of the Directors, such other officers as may be appointed by the Directors. Any number of offices may be held by the same person, except that neither the secretary nor the treasurer may serve concurrently as the president. All officers of the Corporation shall be selected from the membership of the Board of Directors, and must be a member of the Board.

5.2 Election. The officers of this corporation shall be chosen biennially by the Directors, and each shall serve at the pleasure of the Board.

5.3 Removal. Any officer may be removed, with or without cause, by the Board of Directors, at any meeting of the Board.

5.4 Resignation. Any officer may resign at any time by giving written notice to this Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified by that notice, and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

5.5 Vacancies. A vacancy in any office for any reason shall be filled in the manner described in these By-Laws for regular appointments to that office.

5.6 President. The President shall be the chief executive officer of the Corporation, shall preside at all meetings of the Board of Directors, and shall, subject to control of the Board, generally supervise and direct the business of the Corporation. The President shall be a member of all committees and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board or by these By-Laws.

5.7 Vice President. In the absence of the President, the Vice President shall preside at all meetings of the Board of Directors, and shall, subject to the control of the Board, have the powers and duties of the President.

5.8 Secretary. The Secretary shall keep a full and complete record of the proceedings of the Directors, shall keep the seal of the Corporation and affix same to such papers and instruments as may be required in the regular course of business, shall make service of such notices as may be proper or necessary, shall supervise the keeping of the books of the Corporation, and shall discharge such other duties as pertain to the office or as prescribed by the Board.

5.9 Treasurer. The Treasurer shall have charge and custody of all funds of the Corporation, shall deposit such funds in the manner required by the Board, shall keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, shall render reports and accountings as required, and shall discharge such other duties as pertain to the office or as prescribed by the Board.

Article VI.
Miscellaneous

6.1 Fiscal Year. The fiscal year of the Corporation shall be determined, and may be changed, by resolution of the Board of Directors.

6.2 Corporate Seal. The Board of Directors may adopt a corporate seal which shall be specified by resolution of the Board of Directors. The seal shall be affixed to all corporate instruments, but failure to affix it shall not affect the validity of the instrument.

6.3 Contracts. All contracts entered into on behalf of this Corporation must be authorized by the Board of Directors, or such individuals as are authorized by the Board of Directors.

6.4 Execution of Checks. Except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of the Corporation shall be signed by such individuals as are authorized by the Board of Directors.

6.5 Reports to Directors. The President shall cause to be furnished a written report annually to all Directors of this Corporation containing the following information:

- (1) The assets and liabilities, including the 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 for 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 payment or promise of payment or other agreement during the previous fiscal year between this Corporation or a subsidiary and any officer or Director of the Corporation or subsidiary. 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.

6.6 Amendments. Proposed amendments to these By-Laws must be submitted in writing to the Directors at least four (4) weeks in advance of the Board meeting at which they will be considered for adoption. The affirmative vote of three (3) or a majority, whichever is greater, of the Directors present at any meeting shall be required to adopt an amendment to these By-Laws.

6.7 Parliamentary Authority. The current edition of "Robert's Rules of Order, Newly Revised" shall govern in all cases where applicable in which they are not inconsistent with the Articles of Incorporation, these By-Laws, and relevant ruling of federal or state authority.

6.8 Dissolution. Although duration of the corporation is to be perpetual, if dissolution becomes necessary, assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation with similar purposes which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3), Internal Revenue Code.

Adopted: 9December2006

End of By-Laws