

Bylaws of

VALLEY OF THE MOON CERTIFIED FARMERS MARKET

A California Nonprofit Public Benefit Corporation

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ARTICLE 1 NAME

Section 1.1 Corporate Name

The name of this corporation is **VALLEY OF THE MOON CERTIFIED FARMERS MARKET** (the "Corporation").

ARTICLE 2 OFFICES

Section 2.1 Principal Office

The principal office for the transaction of the business of the Corporation shall be located in Sonoma County. The Directors may change the principal office from one location to another, and this section shall be amended accordingly.

ARTICLE 3 PURPOSES

Section 3.1 General Purpose

The Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Corporation Law of California ("California Nonprofit Corporation Law") for public purposes.

Section 3.2 Specific Purpose

The specific purpose of the Corporation shall include without limitation, the promotion of the social welfare of local communities in and around the City of Sonoma through operation of a certified farmers market. In particular, the Corporation will:

- (a) create a recurring festive community event unique to the character of Sonoma that will encourage the local community and visitors to gather together to enjoy the richness of Sonoma life;
- (b) provide a venue for certified and local farmers to offer diverse, high quality agricultural products to the local community;
- (c) offer an educational forum for the local communities to learn the uses and benefits of quality, locally grown and healthful food as well;
- (d) provide a venue for local musicians to perform;
- (e) raise awareness of the benefits of environmentally sustainable practices such as recycling and use of organic products;
- (f) establish a "Community Corner" for local nonprofit organizations to interact with local community members as well as visitors; and
- (g) dedicate any revenues generated beyond the annual operating budget of the Corporation and beyond a reasonable reserve fund for grants or other types of assistance to organizations or individuals engaged in the field of farming and agriculture or otherwise food-related issues and causes.

ARTICLE 4 MEMBERSHIPS

Section 4.1 Members

The Corporation shall have no voting members. However, the Board may adopt policies and procedures for the admission of nonvoting members.

ARTICLE 5 DIRECTORS

Section 5.1 Number and Qualifications

- 5.1.1 Number
The authorized number of Directors of the Corporation (“Directors”) shall be seven (7).
- 5.1.2 Qualifications
At least four (4) Directors should but need not necessarily be current or former vendors at the certified farmers market operated by the Corporation or at another certified farmers market within the State of California.
- Section 5.2 Corporate Powers Exercised by Board
The corporation shall have powers to the full extent allowed by law. All powers and activities of the Corporation shall be exercised and managed by the Board of Directors of this corporation directly or, if delegated, under the ultimate direction of the Board.
- Section 5.3 Terms; Election of Successors
Directors shall be elected at each annual meeting of the Board for two year terms. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of his or her term and until the election and qualification of a successor, or until that Director’s earlier resignation or removal. Any Director may be re-elected after expiration of his or her term. There is no limit on the number of terms that a Director may serve.
- Section 5.4 Vacancies
- 5.4.1 Events Causing Vacancy
A vacancy on the Board shall be deemed to exist in the event that the actual number of Directors is less than the authorized number for any reason. Vacancies may be filled by approval of the remaining Directors for the unexpired portion of the term.
- 5.4.2 Removal
A majority of Directors then in office may remove a director at any time, with or without cause.
- 5.4.3 Resignations
Resignations shall be effective upon receipt in writing by the President, the Secretary or the Board of Directors of the Corporation, unless a later effective date is specified in the resignation.
- Section 5.5 Regular Meetings
Each year, the Board shall hold monthly meetings between January and October. Regular meetings shall be called by the President, the Vice President, the Secretary, or any two directors, and notified in accordance with Section 5.7.
- Section 5.6 Special Meetings
Special meetings of the Board for any purpose may be called at any time by the President, or the Vice President, the Secretary, or any two Directors.
- Section 5.7 Notice of Meetings
Notice of all annual and special meetings shall state the time, date and place of the meeting and shall be given to each Director at least four days before any such meeting if given by first-class mail or forty-eight hours before any such meeting if given personally or by telephone, including a voice messaging system, or by other electronic transmission such as e-mail, in compliance with Section 12.5 of these Bylaws.
- Section 5.8 Meetings by Telephone or Similar Communication Equipment
Any meeting may be held by conference telephone, electronic video screen communication or other electronic transmission in compliance with Section 12.5 of these Bylaws so long as all

Directors participating in the meeting can communicate with one another concurrently and each director is provided with the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action taken by the corporation.

Section 5.9 Quorum and Action of the Board

5.9.1 Quorum

A majority of Directors then in office (but no fewer than two Directors or one-fifth of the authorized number of directors, whichever is greater) shall constitute a quorum for the transaction of business.

5.9.2 Minimum Vote Requirements for Valid Board Action

Every act taken or decision made by a vote of the majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board, unless a greater number is expressly required by California Nonprofit Corporation Law or these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

5.9.3 When a Greater Vote Is Required for Valid Board Action

The following actions shall require a vote by a majority of all Directors then in office in order to be effective:

- (a) Approval of transactions involving a conflict of interest as described in Section 8.3 (provided that the vote of any interested Director(s) is not counted);
- (b) Creation of, and appointment to, Committees (but not advisory committees) as described in Section 6.1;
- (c) Removal of a Director without cause as described in Section 5.4.2;
- (d) Amending the bylaws as described in Section 12.6; and
- (e) Filling vacancies as described in Section 5.4.1.

Section 5.10 Waiver of Notice

The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (i) a quorum is present, and (ii) either before or after the meeting, each of the Directors who is not present at the meeting signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent does not need to specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Also, notice of a meeting is not required to be given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 5.11 Adjournment

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 5.12 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 the action. Such written consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 5.13 Fees and Compensation of Directors

The Corporation shall not pay any compensation to Directors for services rendered to the Corporation as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts as approved by the Board.

Also, Directors may not be compensated for rendering services to the Corporation in a capacity other than as Directors, unless such compensation is reasonable and further provided that not more than 49% of the persons serving as Directors may be "interested persons" which, for purposes of this Section 5.13 only, means:

- (a) any person currently being compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full or part-time Officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or
- (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

Section 5.14 Non-Liability of Directors

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

ARTICLE 6 COMMITTEES

Section 6.1 Committees of Directors

The Board may, by resolution adopted by a majority of the Directors then in office, create one or more Board Committees ("Committees"), including an executive committee, each consisting of two or more Directors, to serve at the discretion of the Board. Any Committee, to the extent provided in the resolution of the Board, may be given the authority of the Board except that no Committee may:

- (a) set the number of Directors within the range specified in these Bylaws;
- (b) elect Directors or remove Directors without cause;
- (c) adopt amendments to the Articles of Incorporation of this corporation;
- (d) fill vacancies on the Board or in any Committee which has the authority of the Board;
- (e) fix compensation of the Directors for serving on the Board or on any Committee;
- (f) amend or repeal Bylaws or adopt new Bylaws;
- (g) amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (h) appoint any other Committees or the members of these Committees;

- (i) expend corporate funds to support a nominee for Director after more persons have been nominated than can be elected; or
- (j) approve any transactions involving a conflict of interest as described in Section 6.3.

Section 6.2 Meetings and Action of Board Committees
Meetings and action of Committees shall be governed by, and held and taken in accordance with, the provisions of Article 5 concerning meetings of Directors, with such changes in the context of Article 5 as are necessary to substitute the Committee and its members for the Board and its members, except that the time for regular meetings of Committees may be determined by resolution of the Board, and special meetings of Committees may also be called by resolution of the Board. Minutes shall be kept of each meeting of any Committee and shall be filed with the corporate records.

Section 6.3 Revocation of Authority Delegated to Committee
The Board may, at any time, revoke or modify any or all of the authority that the Board has delegated to a Committee, increase or decrease (but not below two) the number of members of a Committee, and fill vacancies in a Committee from the members of the Board.

Section 6.4 Advisory Committees
The Board may create one or more advisory committees to serve at the pleasure of the Board. Appointments to such advisory committees need not, but may, be Directors. The Board shall appoint and discharge advisory committee members. All actions and recommendations of an advisory committee shall require ratification by the Board before being given effect.

ARTICLE 7 OFFICERS

Section 7.1 Officers
The officers of the Corporation ("Officers") shall be a President, a Vice President, a Secretary, and a Treasurer. These persons may, but need not be, selected from among the Directors. The Board shall have the power to designate additional Officers who also need not be Directors, with such duties, powers, titles and privileges as the Board may fix, including such Officers as may be appointed in accordance with Section 7.6.5. Any number of offices may be held by the same person, except that the Secretary and the Treasurer may not serve concurrently as the President.

Section 7.2 Election of Officers
The Officers, except those appointed in accordance with Section 7.6.5, shall be elected by the Board at the annual meeting of the Corporation for a term of one year, and each shall serve at the discretion of the Board until his or her successor shall be elected, or his or her earlier resignation or removal.

Section 7.3 Removal of Officers
Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed, with or without cause, (i) by the Board, at any regular or special meeting of the Board, or at the annual meeting of the Corporation, or (ii) by an Officer on whom such power of removal may be conferred by the Board.

Section 7.4 Resignation of Officers
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 7.5 Vacancies in Offices
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 appointments to that office, provided that such vacancies shall be filled as they occur and not on an annual basis. In the event of a vacancy in any office other than the President or one appointed in accordance with Section 7.6.5, such vacancy shall be filled temporarily by appointment by the President, and the appointee shall remain in office for 60 days, or until the next regular meeting of the Board, whichever comes first. Thereafter, the position can be filled only by action of the Board.
- Section 7.6 Responsibilities of Officers
- 7.6.1 President
The President of the Corporation (the "President") shall preside at all meetings of the Board and shall, subject to control of the Board, generally supervise, direct and control the business and other officers of the Corporation. The President shall have the general powers and duties of management usually vested in the office of president of the corporation and shall have such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws.
- 7.6.2 Vice President
The vice president of the Corporation (the "Vice President") shall, in the absence or disability of the President, perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon the President. The Vice President shall have such other powers and perform such other duties as may be prescribed by the Board.
- 7.6.3 Secretary
The Secretary of the Corporation (the "Secretary") shall supervise the keeping of a full and complete record of the proceedings of the Board of Directors and its committees, shall supervise the giving of such notices as may be proper or necessary, shall supervise the keeping of the minute books of this corporation, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.
- 7.6.4 Treasurer
The Treasurer of the Corporation (the "Treasurer") shall be the chief financial officer of the Corporation and shall oversee the collection, receipt, deposit, investment and disbursement of the funds of the Corporation. The Treasurer shall also oversee the maintenance of the books and checking accounts, and preparation of tax returns. The Treasurer shall present financial reports at each Board meeting, file any required reports with the State of California and the County and City of Sonoma, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.
- 7.6.5 Additional Officers
The Board may empower the President to appoint or remove 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 or as the Board from time to time may determine.
- Section 7.7 Compensation of Officers
- 7.7.1 Salaries Fixed by Board
The salaries of Officers, if any, shall be fixed from time to time by resolution of the Board or by the person or Committee to whom the Board has delegated this function, and no Officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Director, provided, however, that such compensation paid to a Director for serving as an Officer shall only be allowed if permitted under the provisions of Section 5.13. In all cases, any salaries received by Officers shall be reasonable and given in return for services actually rendered for the Corporation which relate to the performance of the public benefit purposes of the Corporation. No salaried

Officer serving as a Director shall be permitted to vote on his or her own compensation as an Officer.

7.7.2 Fairness of Compensation

The Board shall periodically review the fairness of compensation, including benefits, paid to every person, regardless of title, with powers, duties, or responsibilities comparable to the president, chief executive officer, treasurer, or chief financial officer (i) once such person is hired, (ii) upon any extension or renewal of such person's term of employment, and (iii) when such person's compensation is modified (unless all employees are subject to the same general modification of compensation).

ARTICLE 8 CONFLICT OF INTEREST POLICY

Section 8.1 Purposes

The purpose of this conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the Corporation and which might result in a possible "excess benefit transaction." This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 8.2 Definitions

8.2.1 Interested Person

Any Director, principal Officer, or member of a Committee with governing Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

8.2.2 Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family, (a) an ownership or investment interest in any entity with which the corporation has a transaction or arrangement, (b) a compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement, or (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 8.3.2, a person who has a financial interest may have a conflict of interest only if the Board decides that a conflict of interest exists.

Section 8.3 Conflict of Interest Avoidance Procedures

8.3.1 Duty to Disclose.

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors considering the proposed transaction or arrangement.

8.3.2 Determining Whether a Conflict of Interest Exists.

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board shall decide if a conflict of interest exists.

8.3.3 Procedures for Addressing the Conflict of Interest.

An interested person may make a presentation at the Board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the Board shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors then in office whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

8.3.4 Violations of the Conflicts of Interest Policy.

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

If, after hearing the interested person'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.

Section 8.4 Records of Proceedings

The minutes of meetings of the Board shall contain:

- (a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed, and
- (b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 8.5 Annual Statements

Each Director, principal Officer, and member of a Committee with governing Board delegated powers shall annually sign a statement which affirms such person:

- (a) has received a copy of the conflicts of interest policy,
- (b) has read and understands the policy,
- (c) has agreed to comply with the policy, and
- (d) understands the corporation is operated for social welfare purposes and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 8.6 Periodic Reviews

To ensure the corporation operates in a manner consistent with its exempt purposes and does not

engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further exempt purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8.7 Use of Outside Experts

When conducting the periodic reviews as provided for in Section 6.6, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

Section 8.8 Loans to Directors and Officers

Except as permitted by Section 5236 of the California Nonprofit Public Benefit Corporation Law, 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; except that, however, the Corporation may advance money to a Director or Officer for expenses reasonably anticipated to be incurred in the performance of duties of such Director or Officer, if in the absence of such advance, such Director or Officer would be entitled to be reimbursed for such expenses by the Corporation.

Section 8.9 Interlocking Directorates

No contract or other transaction between the Corporation and any corporation, firm or association of which one or more Directors are directors is either void or voidable because such Director(s) are present at the Board or Committee meeting that authorizes, approves or ratifies the contract or transaction, if (i) the material facts as to the transaction and as to such Director's other directorship are fully disclosed or known to the Board or Committee, and the Board or Committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s) (subject to the quorum provisions of Article 5); or if (ii) the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified.

ARTICLE 9 INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 9.1 Right of Indemnity

To the fullest extent allowed by Section 5238 of the California Nonprofit Public Benefit Corporation Law, the Corporation may indemnify its agents, in connection with any proceeding, and in accordance with Section 5238. For purposes of this Article, "agent" shall have the same meaning as in Section 5238(a), including directors, officers, employees, other agents, and persons formerly occupying such positions; "proceeding" shall have the same meaning as in Section 5238(a), including any threatened action or investigation under Section 5233 or brought by the Attorney General; and "expenses" shall have the same meaning as in Section 5238(a), including reasonable attorneys' fees.

Section 9.2 Approval of Indemnity

On written request to the Board of Directors in each specific case by any agent seeking indemnification, to the extent that the agent has been successful on the merits, the Board may promptly authorize indemnification in accordance with Section 5238(d). Otherwise, the Board shall promptly determine, by a majority vote of a quorum consisting of directors who are not parties to the proceeding, whether, in the specific case, the agent has met the applicable standard of conduct stated in Section 5238(b) or Section 5238(c), and, if so, may authorize indemnification to the extent permitted thereby.

- Section 9.3 Advancing Expenses
The Board of Directors may authorize the advance of expenses incurred by or on behalf of an agent of this corporation in defending any proceeding prior to final disposition, if the Board finds that:
- (a) the requested advances are reasonable in amount under the circumstances; and
 - (b) before any advance is made, the agent will submit a written undertaking satisfactory to the Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this Article.

Section 9.4 Insurance
The Board of Directors may adopt a resolution authorizing the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond this corporation's power to indemnify the agent under the law.

ARTICLE 10 GRANTS ADMINISTRATION

Section 10.1 Purpose of Grants.
The Corporation shall have the power to make grants and contributions and to render other financial assistance for the purposes expressed in the Corporation's Articles of Incorporation.

Section 10.2 Board of Directors Oversight
The Board of Directors shall exercise itself, or delegate, subject to its supervision, control over grants, contributions, and other financial assistance provided by the Corporation. The Board shall approve a process for reviewing and approving or declining requests for funds made to the Corporation, which shall require such requests to specify the use to which the funds will be put, and include a mechanism for regular Board review of all grants made. The Board shall similarly approve a process for authorizing payment of duly approved grants to the approved grantee.

Section 10.3 Refusal; Withdrawal
The Board of Directors, in its absolute discretion, shall have the right to refuse to make any grants or contributions, or to render other financial assistance, for any or all purposes for which the funds are requested. In addition, the Board, in its absolute discretion, shall have the right to withdraw its approval of any grant at any time and use the funds for other purposes within the scope of the purposes expressed in the Corporation's Articles of Incorporation, subject to any rights of third parties under any contract relating to such grant.

Section 10.4 Accounting
The Board of Directors shall determine under what circumstances to require that grantees furnish a periodic accounting to show that the funds granted by the Corporation were expended for the purposes that were approved by the Board.

Section 10.5 Restrictions on Contributions
Unless otherwise determined by resolution of the Board of Directors in particular cases, the Corporation shall retain complete control and discretion over the use of all contributions it receives and all contributions received by the Corporation from solicitations for specific grants shall be regarded as for the use of the Corporation and not for any particular organization or individual mentioned in the solicitation.

ARTICLE 11 CORPORATE RECORDS, REPORTS AND SEAL

Section 11.1 Minute Book

The Corporation shall keep a minute book in written form which shall contain a record of all actions by the Board or any committee including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how called; (iii) the manner of giving notice of each meeting and a copy thereof; (iv) the names of those present at each meeting of the Board or any Committee thereof; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; (vii) all written consents for action without a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

Section 11.2 Books and Records of Account

The Corporation shall keep adequate and correct books and records of account. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.

Section 11.3 Articles of Incorporation and Bylaws

The Corporation shall keep at its principal office, the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 11.4 Annual Report; Statement of Certain Transactions

The Board shall cause an annual report to be sent to each Director within 120 days after the close of the Corporation's fiscal year containing the following information:

- (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, during the fiscal year;
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for this fiscal year;
- (d) The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year;
- (e) A statement of any transaction (i) to which the Corporation, its parent, or its subsidiary was a party, (ii) which involved more than \$50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (iii) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a financial interest):
 - (1) Any Director or Officer of the Corporation, its parent, or its subsidiary;
 - (2) Any holder of more than 10% of the voting power of the Corporation, its parent, or its subsidiary.

The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to the Corporation; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

- (f) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director.

Section 11.5 Directors' Rights of Inspection

Every Director shall have the absolute right at any reasonable time to inspect the books, records, documents of every kind, and physical properties of the Corporation and each of its subsidiaries. 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.

ARTICLE 12 MISCELLANEOUS

Section 12.1 Fiscal Year

The fiscal year of the Corporation shall end each year on December 31.

Section 12.2 Execution of Instruments

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, 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 monetarily for any purpose or in any amount.

Section 12.3 Checks and Notes

Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be signed by the Treasurer and countersigned by the President.

Section 12.4 Deposits

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

Section 12.5 Electronic Transmission

Unless otherwise provided in these Bylaws, and subject to any guidelines and procedures that the Board of Directors may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means, and may include electronic transmissions, such as facsimile or email, provided (i) for electronic transmissions from the corporation, the corporation has obtained an unrevoked written consent from the recipient to the use of such means of communication; (ii) for electronic transmissions to the corporation, the corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (iii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

Section 12.6 Amendment by Directors

Proposed amendments to these Bylaws shall be submitted in writing to the Directors at least one week in advance of any Board meeting at which they will be considered for adoption. The vote of a majority of directors then in office or the unanimous written consent of the Directors in office shall be required to adopt a bylaw amendment.

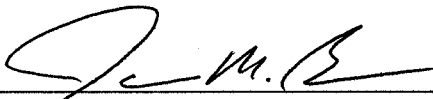
Section 12.7 Governing Law

In all matters not specified in these Bylaws, or in the event these Bylaws shall not comply with applicable law, the California Nonprofit Public Benefit Corporation Law shall apply.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of **VALLEY OF THE MOON CERTIFIED FARMERS MARKET**, a California nonprofit public benefit corporation; that these Bylaws, consisting of 15 pages, are the Bylaws of this Corporation as adopted by the Board of Directors on November 20, 2013; and that these Bylaws have not been amended or modified since that date.

Executed on December 10, 2013 at Sonoma, California.



[NAME]
Secretary