

BYLAWS
OF
CHINO VALLEY D.E.S., CLUB, INC.,
A CALIFORNIA CORPORATION

ARTICLE I

OFFICES

Section 1.01 Principle Office

The principal office for the transaction of the business of the corporation (“principal executive office”) is located at 5216 Riverside Drive, City of Chino, County of San Bernardino, State of California. The directors may change the principal 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 1.02 Other Offices

The board of directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE II

OBJECTIVES AND PURPOSES

The objective of this corporation shall be: The specific and primary purposes of this corporation are charitable and educational meeting the requirements for exemption provided by Section 501(c)(3) of the Internal Revenue Code of 1986, namely, to promote the Portuguese heritage and any action(s) the board of directors feel it is necessary to promote said heritage and/or religious or cultural events in such accordance.

ARTICLE III

NONPARTISAN ACTIVITIES

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 charitable purposes. No substantial part of the activities of the corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in (including the publication or distribution of statements) any political campaign on behalf of any

candidate for public office. This corporation shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described above.

ARTICLE IV

DEDICATION OF ASSETS

The property of this corporation is irrevocable dedicated to charitable, scientific, literary and/or educational purposes. No part of the net earnings or assets of this corporation shall ever inure to the benefit of any director, officer or member of this corporation or to the benefit of any private individual whatsoever (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes).

Upon the dissolution or winding up of this corporation, after paying or adequately providing for the debts and obligations thereof, any remaining assets shall be distributed for use in furtherance of the purposes of this corporation as set forth in the articles of incorporation and these bylaws, to one or more nonprofit funds, foundations or corporations, which are then in existence, which are organized and operated exclusively for charitable, scientific, literary and/or educational purposes and which are exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986 (or any corresponding provision of any previous or future United States Internal Revenue Law). If allowable, under controlling statutes all parts of the net earnings or assets of this corporation shall even inure benefit of one or more nonprofit funds, foundations or corporations, which are then in existence, which are organized and operated for the promotion of the Portuguese heritage.

ARTICLE V

MEMBERS

Section 5.01 Members

There shall be one (1) class of members. Any person over the age of eighteen (18) who is of Portuguese descent or married to a person of Portuguese descent may become a member of this corporation by payment of the annual dues as set forth in Section 5.16 of Article V and by submission of his or her name to the board of directors for approval. Additional qualifications of members and terms of admission to membership in the corporation may be prescribed by the board of directors.

Except to the extent, if any, otherwise lawfully provided in the Articles of Incorporation:

- (a) Each member shall have the right to vote, as set forth in Section 5.11 of this Article V, for the election of directors and on a disposition of substantially all of the assets of the corporation and on the merger and on dissolution. Each member shall also have the right to vote, as set forth in Section 6.16 of Article VI, for the approval of and granting to the directors the ability to perform or conduct the specified acts; and
- (b) Members shall have all the rights, including additionally voting rights, afforded members under the California Nonprofit Mutual Benefit Corporation Law.

Nothing in this Section 5.01 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 as defined above, and no such reference shall constitute anyone a member, within the meaning of Section 5056 of the California Nonprofit Corporation Law of the foregoing provisions of this Section 5.01, unless such person shall have qualified for membership as set forth above. The corporation may confer by amendment of its Article or of these Bylaws some or all of the rights of a member, as set forth in this Article V, upon any person or persons who do not have the right to vote on any of the matters set forth in the first paragraph of this Section 5.01, but no such person be a member within the meaning of said Section 5056 or these Section 5.01.

Section 5.02 Voting Rights

Each member shall be entitled to one (1) vote on each matter submitted to a vote of the members. Members who fail to be in good standing, as set forth in Section 5.04 of this Article V, shall not be entitled to vote on any matter.

Section 5.03 Termination of Membership

Membership in the corporation may be suspended or terminated by request of the member, communicated to the Secretary, or for any breach of violation of any rules and regulations of the corporation or these Bylaws as determined by a vote of three-fourth (3/4ths) of the board. A suspended member shall not be entitled to exercise any of the voting rights set forth in Section 5.02 of Article V.

Section 5.04 Good Standing

A member shall not be in good standing and shall not be entitled to vote as a member if the payments of dues as set forth in Section 5.16 of Article V is more than two (2) months in arrears or if the member has been suspended or terminated as set forth in Section 5.04 of Article V. A member who is not in good standing because of failure to pay dues can be reinstated upon the payment of all unpaid dues and the approval of the board of directors.

Section 5.05 Place of Meetings

Meetings, regular, annual, or special meetings, of the members shall 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, meeting shall be held at the principal executive office of the corporation.

Section 5.06 General Meetings

General or annual meetings of the members shall be held for the purposes of organization, election of directors and officers and the transaction of other business. Annual meetings shall be held on the second (2nd) Sunday of January of each year at 7:00 p.m., Pacific Time; provided, however, that should said day fall on a legal holiday, then the annual meeting shall be held at the same time and place on the next Sunday. Notice of this meeting shall be given pursuant to the requirements of the Section 5.08 of Article V.

Section 5.07 Special Meetings

Special meetings of the members shall be called by the Board of Directors, the President, or by written demand made by at least fifty (50) members in good standing of the Corporation. Upon request in writing to the Board of Directors shall expeditiously set a reasonable time and place for the special meetings; however, there shall be notice given pursuant to Section 5.308 of Article V.

Section 5.08 Notice of General and Special Meetings

With respect to general or annual meetings, reasonable notice shall be given to the members. Such notice shall be given by written notice of the time and place thereof to each member at his or her address as it appears upon the records of the Corporation and if it does not appear, then at the principal place of business of the Corporation, at least ten (10) days preceding the date of the meeting. Nothing herein shall prohibit the giving of longer notice or notice by additional means other than the announcement above-mentioned.

With respect to special meetings, except where required by law, notice shall include a statement of purpose or purposes of the meeting, shall be delivered or mailed to each member at his or her address as it appears upon the records of the Corporation and if it does not appear, then at the principal place of business of the Corporation, at least four (4) days preceding the date of the meeting.

Section 5.09 Quorum

One third (1/3rd) of the members shall constitute a quorum at any meeting of the members. If a quorum is present, the affirmative vote of the majority of the members present at a meeting present shall be regarded as the act of the members. If less than one

third (1/3rd) of the members attend the meeting, either in person or by proxy, then a quorum has not been established and may be adjourned per Section 5.10 of Article V.

Section 5.10 Adjourned Meeting and Notice Thereof

Any members; meeting, whether or not a quorum is present, may be adjourned from time to time by a vote of a majority of the votes represented, but in the absence of a quorum (except as provided in Section 5.09 of this Article V) no other business may be transacted at such meeting.

It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken; provided, however, when any members' meeting is adjourned for more than forty-five (45) days or, if after adjournment the date of the meeting is change, notice of the meeting date shall be given per Section 5.08 of Article V.

Section 5.11 Voting

The members entitled to notice of any meeting of members or to vote at any such meeting shall be only person in whose names memberships, or holding a proxy to vote as set forth in Section 5.12 of Article V, stand on the records of the Corporation on the record date for notice of said meeting.

Elections need not be by ballot. However, all elections for directors must be by ballot upon demand made by a member at the meeting and before the voting begins.

In any election of directors, the candidates receiving the highest number of votes are elected. A member may not cumulate votes for the election of directors.

Section 5.12 Proxies

Every person entitled to vote a membership has the right to do so either in person or by one or more persons authorized by written proxy executed by such member and file with the Secretary. Any proxy duly executed is not revoked and continues in full force and effect until revoked by the person executing it prior to the vote pursuant thereto. Such revocation may be effected either (i) by a writing delivered to the Secretary of the corporation stating that the proxy is revoked, (ii) by a subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or (iii) as to any meeting, by attendance at the meeting and voting in person by the person executing the proxy; provided however, that the no proxy shall be valid after the expiration of one (1) calendar year from the date of its execution.

Section 5.13 Inspectors of Election

In advance of any meeting of the members, the board of directors may appoint inspectors of election to act at such meeting and any adjournment thereof. If inspectors of elections are appointed by the board of directors there must be at least three (3) inspectors but not more than ten (10) inspectors. There must be at least two (2) board of directors appointed as inspectors. If there are no inspectors of election appointed, the Rules Committee, as set forth in Section 7.05 of Article VII, shall act as the inspectors of election. To be binding at least one-half (1/2) of the inspectors present must agree upon each issue.

The duties of such inspectors shall be as prescribed by Section 7614(b) of the California Nonprofit Mutual Benefit Corporation Law and shall include: determining the number of memberships outstanding and the voting power of each; determining the memberships represented at the meeting; determining the existence of a quorum; determining the authenticity, validity and effect of proxies; receiving votes, ballots or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining when the polls shall close; determining the result; and doing such acts as may be proper to conduct the election or vote with fairness to all members.

Section 5.14 Conduct of Meeting

The President shall preside as chairman at all meetings of the members. The chairman shall conduct each such meeting in a business-like and fair manner, but shall not be obligated to follow any technical, formal or parliamentary rules or principles of procedure. The chairman's rulings on procedural matters shall be conclusive and binding on all members, unless at the time of a ruling a request for a vote is made to the members entitled to vote and which are represented at the meeting, in which case the decision on a majority of such members shall be conclusive and binding on all members. Without limiting the generality of the foregoing, the chairman shall have all the powers usually vested in the chairman of a meeting of members.

Transfer of Membership

No member may transfer his or her membership or any right arising therefrom. All rights of membership cease upon a member's death.

Section 5.16 Dues

Each member is required to pay annual dues, payable on or before January 1st, for the calendar year commencing on such January 1st. Any dues not paid by April 1st shall be delinquent and shall cause the member to become not in good standing pursuant to Section 5.04 of this Article V. The amount of the dues shall be set each year by the board of directors and shall initially be forty (\$40.00) dollars and no cents.

ARTICLE VI

Directors

Section 6.01 Powers

6.01 (a) Voting and other rights. Any action which would, by operation of law or otherwise, require a vote of members shall require only a vote of the directors. All rights would, by operation of law or otherwise, vest in the members shall vest in the directors.

6.01 (b) Corporate Powers Subject to the provisions of the California Nonprofit Corporation Law and any limitations in the articles of incorporation and these bylaws, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the board of directors. Without prejudice to these general powers, and subject to the same limitations, the directors shall have the power to:

- (i) Select and remove all officers, agents and employees of the corporation; prescribe any powers and duties for them that are consistent with law, with the articles of incorporation and with these bylaws; fix their compensation; and require from them security for faithful service.
- (ii) Conduct, manage and control the affairs and business of this corporation and make such rules and regulations thereof not inconsistent with law, with the articles of incorporation and with these bylaws, as they deem best.
- (iii) Change the principal executive office or the principal business office in the State of California from one location to another; cause the corporation to be qualified to do business in any other state, territory, dependency or country and conduct business within or outside the State of California; and designate any place within or outside the State of California for the holding of any meeting or meetings, including annual meetings.
- (iv) Adopt, make and use a corporate seal; and alter the form of the seal
- (v) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation and other evidences of debt and securities, subject to the limitations set for in Section 6.16 of Article VI.

Section 6.02 Number and Qualification of Directors

The authorized number of directors shall be not less than seven (7) nor more than fifteen (15), the exact number to be fixed from time to time by a majority of the then authorized and acting directors. The initial authorized number of directors of this corporation shall be set forth until changed by amendment to these Bylaws. No Reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of said director's term of office, unless a director is affirmatively removed as hereinafter provided.

Section 6.03. ELECTION AND TERM OF OFFICE OF DIRECTORS

Directors shall be elected at each annual meeting of the board of directors to hold office until the next meeting by plurality vote of the attending the annual meeting; however, if an annual meeting is not held or the directors are not elected at an annual meeting, they may be elected at any special meeting of the board of directors held for that purpose by plurality vote of the directors in office immediately proceeding the election. Each director, including a director elected to fill a vacancy or elected at a special meeting, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified. No director shall hold office for more than two (2) consecutive terms.

Section 6.04. VACANCIES

6.04 (a) Events causing vacancy. A vacancy or vacancies in the board of directors shall be deemed to exist on the occurrence of the following: (i) the death or resignation of any director; (ii) the declaration by resolution of the board of directors of a vacancy of the office of a director who has been declared of unsound mind by the a final order of the court or convicted of a felony or have breached a duty under Sections 5230 and following of the California Nonprofit Public Benefit Corporation Law; (iii) the vote of two-thirds (2/3rds) majority of the directors then in office to remove a director; (iv) an increase in the authorized number of directors; or (v) the failure to elect the number of directors to be elected at a meeting at which any director or directors are to be elected.

6.04 (b) Resignations. Except as provided in this paragraph, any director may resign, which resignation shall be effective on given written notice to the president of the board, the secretary, or the board of directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at the future time, the board of directors may elect a successor to take office as of the date when the resignation becomes effective. No director may resign when the corporation would then be left without a duly elected director or directors in charge of its affair.

6.04 (c) Vacancies filled by directors. Vacancies in the board of directors may be filled by the affirmative vote of a majority of the remaining directors then in office, though less than a quorum, or by the sole remaining director. Each director elected to fill

a vacancy shall hold office until the expiration of the term or which elected and until a successor has been elected and qualified.

6.04 (d) No vacancy on reduction of number of directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

6.04 (e) Restriction on interested directors. Not more than 49% of the persons serving on the board of directors at any time may be interested persons. An interested person is (i) any person being compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor or otherwise, excluding any reasonable compensation paid to a director as director; and (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law of any such person. Any violation of the provisions of this paragraph shall not, however, affect the validity or enforceability of any transaction entered into by the corporation.

Section 6.05. PLACE OF MEETINGS

Regular meetings of the board of directors 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. Special meetings of the board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice or if there is no notice, at the principal executive office of the corporation. Notwithstanding the above provisions of this Section 6.05, a regular or special meeting of the board of directors may be held at any place considered to in writing by all board members, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting.

Section 6.06. ANNUAL MEETING

Annual meetings of the board of directors shall be held for the purposes of organization, election of directors and officers and the transaction of other business. Annual meetings shall be held on the second (2nd) Sunday of January of each year at 7:00 P.M.. Pacific Time; provided, however, that should said fall on a legal holiday, then the annual meeting shall be held at the same time and place on the next calendar Sunday. Notice of this meeting shall be required and shall comply with the requirements of Section 5.08 of Article V.

Section 6.07. OTHER REGULAR MEETINGS

Other regular meetings of the board of directors shall be held without call at such time as shall from time to time be fixed by the board of directors. Such regular meetings may be held without notice. However, the board of directors shall hold at least one (1) regular meeting during each calendar month.

Section 6.08. SPECIAL MEETINGS

6.08 (a) Authority of call. Special meetings of the board of directors for any purpose may be called at any time by the president, vice president, the secretary or any two (2) directors.

6.08 (b) Notice

(i) Manner of giving. Notice of the time and place of special meeting shall be given to each director by one of the following methods: (a) by personal delivery of written notice; (b) by first-class mail, postage paid; (c) by telephone communication, either directly to the director or the person at the director's office who would reasonably be expected to communicate such notice promptly to the director; or (d) by telegram, charges prepaid. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.

(ii) Time requirements. Notices sent by first class mail shall be deposited into a United States mail box at least seven (7) days before the time set for the meeting. Notices given by personal delivery, telephone or telegraph shall be delivered, telephoned or given to the telegraph company at least forty eight (48) hours before the time set for the meeting.

(iii) Notice contents. The notice shall state the time and place for the meeting. It need not specify the purpose of the meeting and need not specify the place of the meeting if it is to be held at the principal executive office of the corporation.

Section 6.09. QUORUM

The appearance of at least fifty (50%) percent of the directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 6.11. Every act decision done or made by two thirds (2/3rds) of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the board of directors, subject to the provisions of the law or the articles of incorporation, especially those provisions of the California Nonprofit Public Benefit Corporation Law regarding to (i) approval of contracts or transactions in which a director has a direct or indirect material finance interest, (ii) appointment of committees, and (iii) indemnification of directors. The present directors shall not vote to or make a decisions for the transaction of business unless a quorum is present at the time the ballot is cast.

Section 6.10. WAIVER OF NOTICE

The transactions of any meeting of the board of directors, 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 (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes of the meeting. Notice of the meeting shall also be deemed given to any director who attends the meeting without protesting before or as its commencement about the lack of adequate notice.

Section 6.11. ADJOURNMENT

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

Section 6.12. NOTICE OF ADJOURNMENT

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than three (3) days, in which case notice of the time and place shall be given before the time of the adjourned meeting to the directors that where not present at the time of the adjournment.

Section 6.13. ACTION WITHOUT MEETING

any action required or permitted to be taken by the board of directors may be taken without meeting, if all members of the board, individually or collectively, consent in writing to the action. Such action by written consent shall have the same force and effect as a unanimous vote of the board of directors. Such written consent or consents shall be filed with the minutes of the proceedings of the board.

Section 6.14. FEES AND COMPENSATION OF DIRECTORS

Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by resolution of the board of directors to be just and reasonable.

Section 6.15. NO LIABILITY OF DIRECTORS

No director shall be personally liable for the debts, liabilities or obligations of this corporation. The directors of this corporation shall have no liability for dues or assessments.

Section 6.16. LIMITATIONS TO DIRECTORS

Directors cannot, without obtaining approval from the membership, perform or do any of the following:

(i) Purchase real property, also to include, but not limited to, contracting for option to purchase real property;

(ii) Expend sums of money in the amount of ten thousand (\$10,000.00) dollars annually, except for sums used in the maintenance of existing facilities or real property;

(iii) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate

name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation and other evidences of debt and securities;

(iv) Transfer title to any portion of real property upon which the corporation holds interest in;

(v) Directors must prepare a profit and lost statements for all business activities occurring within the first (1st) six (6) months of the directors term. Said profit and lost statements must be prepared within forty-five days after the expiration of the six (6) month term. If the profit and lost statement establishes a negative earning and/or loss, in any form or manner, the Directors are to call for a special meeting of the membership and provide the membership with a copy of said statement as most expeditiously as possible.

ARTICLE VII

COMMITTEES

Section 7.01. COMMITTEES OF DIRECTORS

The board of directors may, by resolution adopted by the majority of the directors then in office, designate one or more committees to serve at the pleasure of the board. All individuals appointed to a committee must be an active member of the corporation. Each committee shall consist of at least as many members as the board of directors desires; however, each committee must have at least two (2) directors on each such committee. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee, regardless of board resolution, may;

(a) take any final action on matters which, under the California Nonprofit Public Benefit Corporation Law, also requires members' approval or approval of a majority of all the members;

(b) fill vacancies on the board of directors or in any committee which has the authority of the board;

(c) fix compensation for serving on any committee;

(d) appoint any other committees of the board of directors or the members of these committees;

(e) except as provided in Section 5233(d)(3) of the California Corporation Code, approve any transaction (i) to which the corporation is a party and one or more directors have a material financial interest; or (ii) between the corporation and one or more of its directors or between the corporation and any person in which one or more of its directors have a material interest.

Section 7.02 MEETINGS AND ACTION COMMITTEES

Meetings and action of committee shall be governed by, held and taken in accordance with, the provisions of Article VI of these bylaws, concerning meetings of directors, with such changes in the context of those bylaws as necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular meetings of committees may determined either by resolution of the board of directors or by resolution of the committee, and that special meetings of committees may also be called by either. Minutes shall be kept of each meeting of any committee and shall also be filed with the corporate records. The board of directors may adopt rules for the government of any committee not inconsistent with provisions of these bylaws.

Section 7.03. NOMINATING COMMITTEE

The directors may, by resolution adopted by two-third (2/3rd) majority of the directors, designate a committee for the purpose of researching and preparing a proposed lists of candidates for an annual or special election of directors.

(a) The committee, may include non-director individuals; however, the committee must consist of at least two (2) directors; and

(b) It must be two-third (2/3rd) majority for any resolution to pass the committee.

Section 7.04. FINANCE COMMITTEE

The directors may, by resolution adopted by two-third (2/3rd) majority of the directors, designate a committee for the purpose of raising funds for the corporation and determining any related financial issue affecting the corporation as assigned by the board of directors.

(a) The committee, may include non-director individuals; however, the committee must consist of at least two (2) directors; and

(b) It must be two-third (2/3rd) majority for any resolution to pass the committee.

Section 7.05. RULES COMMITTEE

The directors may, by resolution adopted by the two-third (2/3rd) majority of the directors, designate a committee for the purpose of research and preparing proposed rules, regulations, or amendments thereto, and to complete any related issue affecting the corporation as assigned by the board of directors.

(a) The committee, may include non-director individuals; however, the committee must consist of at least two (2) directors; and

(b) It must be two-third (2/3rd) majority for any resolution to pass the committee.

Section 7.06. ADVISORY COMMITTEE

The directors may, by resolution adopted by two-third (2/3rd) majority of the directors, designate a committee for the purpose of research and preparing a proposed reports of findings, conclusion, and recommendations for any issue affecting the corporation that had been assigned to the committee by the board of directors.

(a) The committee, may include non-director individuals; however, the committee must consist of at least two (2) directors; and

(b) It must be two-third (2/3rd) majority for any resolution to pass the committee.

ARTICLE VIII

OFFICERS

Section 8.01. OFFICERS

The officers of this corporation shall be a president, vice-president, a secretary, a treasurer, and public relations. This corporation may also have, at the discretion of the board of directors, to add such other officers as desired. in accordance with the provisions of Section 8.03.

Section 8.02. ELECTION OF OFFICERS

The officers of the corporation shall be chosen by the board of directors. The board shall chose officer for each term at the board of directors' first meeting after the annual meeting.

Section8.03. SUBORDINATE OFFICERS

The board of directors may appoint any officers that the business of this corporation may require, each of whom shall have the title, hold officer for the period, have the authority and perform the duties specified in the bylaws or determined from time to time by the board of directors.

Section 8.04. 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, by the board of directors, at any regular or special meeting of the board, or, except in case of an officer chosen by the board of directors. Before the Board of Directors may remove an officer there must be at least fifty (50%) percent approval of all directors serving at the time of the removal vote.

Section 8.05. RESIGNATION OF OFFICERS

Any officers 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 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 8.06. VACANCIES IN OFFICES

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 appointments to that office.

Section 8.07. RESPONSIBILITIES OF OFFICERS

8.07.(a) President: The president shall be the chief executive officer of this corporation and shall, subject to the control of the board of directors, generally supervise, direct and control the business and the officers of the corporation. He shall preside at all meetings of the board of directors. He shall have such other powers and duties as may be prescribed by the board of directors or by these bylaws.

8.07.(b) Vice President: In the absence or disability of the president, the vice presidents shall 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 from time to time may be prescribed for them respectively by the board of directors or by these bylaws.

8.07.(c) Secretary: The secretary shall attend to the following:

(i) Book of Minutes: The secretary shall keep or cause to be kept, at the principal executive office or such other place as the board of directors may direct, a book of minutes of all meetings and actions of directors and committees of directors, 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.

(ii) Membership Records: The secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the board of directors, a record of the corporation's directors, showing the names of all directors and their addresses.

(iii) Notices, Seals, and other Duties: The secretary shall give, or cause to be given, notice of all meetings of the board of directors required by the bylaws to be given. The secretary shall keep the seal of this corporation in safe custody. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or by these bylaws. If for any reason the secretary shall fail to give

notice of any special meetings of the board of directors called by one or more of the persons identified in Section 6.08(a), then any such person or persons may give notice of any such special meeting.

8.07 (d). Treasurer: The treasurer shall attend to the following:

(i) Book of Account: The treasurer 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 this 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.

(ii) Deposit and Disbursements of Money and Valuables: The treasurer 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 of directors; shall disburse the funds of this corporation as may be ordered by the board of directors; shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of this corporation; and shall have such other powers and perform such other duties as may be described by the board of directors.

(iii) Duties of President: In the absence or disability of the president, and if there be no vice presidents or if no vice presidents are present and available, the treasurer shall perform all the duties of the president and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president.

Section 8.08. POWERS TO DISBURSE MONEY.

Only the president, vice-president, a secretary, and a treasurer shall have the power to disburse money; however, at all times of disbursement there must be at least of the officers in agreement to disburse and properly memorializing, in writing, their agreement to disburse money. This includes, but is not limited to, cash, the signing of checks, cashier checks, money orders, or other cash equivalents.

Article IX

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

Section 9.01. DEFINITIONS

For the purpose of this Article, the following terms shall be defined as stated herein:

- a) **“Agent”** means any person who is or was a director, officer, employee or other agent of this corporation, or is or was serving at the request of this corporation as a director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a director, officer, employee or agent of a foreign or domestic corporation that was a predecessor corporation of this corporation or of another enterprise at the request of the predecessor corporation;
- b) **“Proceeding”** means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and
- c) **“Expenses”** includes, without limitation, all attorneys’ fees, costs and other expenses incurred in the defense of any claims or proceedings against an agent by reason of his position or relationship as agent and all attorneys’ fees, costs and other expenses incurred in establishing a right to indemnification under this Article.

Section 9.02. SUCCESSFUL DEFENSE BY AGENT

To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Sections 9.03 through 9.05 shall determine whether the agent is entitled to indemnification.

Section 9.03. ACTIONS BROUGHT BY PERSONS OTHER THAN THE CORPORATION

Subject to the required findings to be made pursuant to Section 9.05, this corporation shall indemnify any person who was or is a party, or is threatened to be made party, to any proceeding other than an action brought by, or on behalf of, this corporation, or by an officer, director or person granted related status by the Attorney General, or by the Attorney General on the ground that the defendant director was or is engaging in self-dealing within the meaning of California Corporations Code Section 5233, or by the Attorney General or a person granted related status by the Attorney General for any breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of this corporation, for all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

Section 9.04. ACTION BROUGHT BY OR ON BEHALF OF THE CORPORATION

9.04 (a) Claim settled out of court. If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this corporation, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding, unless it is settled with approval of the Attorney General.

9.04 (b) Claims and suits awarded against agent. This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened pending or completed action brought by or on behalf of this corporation, by reason of the fact that the person is or was an agent of this corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:

- i. The determination of good faith conduct by Section 9.05 must be made in the manner provided for in that Section; and
- ii. Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 9.05. DETERMINATION OF AGENT'S GOOD FAITH CONDUCT

The indemnification granted to an agent in Section 9.03 and 9.04 above is conditioned on the following:

9.05 (a) Required standard of conduct. The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he believed to be in the best interest of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner in which he reasonably believed to be in the best interest of this corporation or that he had reasonable cause to believe that his conduct was unlawful. In the case of proceeding, the person must have had no reasonable cause to believe that his conduct was unlawful.

9.05. (b) Manner of determination of good faith conduct. The determination that the agent did act in a manner complying with Section 9.05 (a) shall be made by:

- i. The board of directors by a two-thirds (2/3rd) vote of a quorum consisting of directors who are parties to the proceeding; or
- ii. The court in which the proceeding is or was pending. Such determination may be made on application brought by this corporation or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney or other person is opposed by this corporation.

Section 9.06. LIMITATIONS

No indemnification or advance shall be made this Article, except as provided in Sections 9.02 or 9.05(b)(ii), in any circumstance when it appears that:

9.06 (a) The indemnification or advance would be inconsistent with a provision of the articles, a resolution of the members or an agreement if effect at the time of the accrual of the alleged casue of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification;

9.06 (b) the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

9.07. ADVANCE OF EXPENSES

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

Section 9.08. CONTRANCTUAL OF NONDIRECTORS AND NONOFFICERS

Nothing contained in this Article shall affect any right to indemnification to which persons, who are other than directors and officers of this corporation or any subsidiary hereof, may be entitled by contract or otherwise.

Section 9.09. INSURANCE

The board of directors mat adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation against any liability other than for violating provisions against self-dealing 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 agent against that liability under the provision of this Section.

ARTICLE X
RECORDS AND REPORTS

Section 10.01. MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep:

10.01. (a) Adequate and correct books and records of account;

10.01. (b) Minutes in written form of the proceedings of its board and committees of the board;

10.01. (c) A record of its directors, giving their names and addresses.

All such records shall be kept at the corporation's principal executive office, or if its principal executive office is not in the state California, at its principal business office in this state.

Section 10.02. MAINTENANCE AND INSPECTION BY DIRECTORS

This corporation shall keep at its principal executive office, or if its principal executive office is not in the in the State of California, at its principal business office in this state, the original or a copy of the articles and bylaws as amended to date. Every director shall have absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of this corporation and each of its subsidiary corporations. This inspection by a director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents. Copies of all reports shall be made available for the members to review and to take of copy of at all general, annual, and special membership meetings.

Section 10.03 SIX MONTH REPORT TO DIRECTORS

10.03 (a) After six (6) months after the board of directors term begins, the board shall cause an profit and loss report to be prepared. Preparation is to be completed within forty-five days after the six (6) month period. Such report, in addition, to stating all profits and incomes, shall contain the following information in reasonable detail:

- i. The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.
- ii. The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- iii. The revenue or receipts of the corporation both unrestricted and restricted to particular purposes, for the fiscal year.
- iv. The expenses or disbursements of the corporation, for both general and restricted purposes, during the fiscal year.
- v. Any information required by Section 10.04 and 10.05.

10.03 (b). The report required by this Section shall be accompanied by any report thereon of independent accountants, or, if there is no such report, by the certificate of any authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

Section 10.04 ANNUAL REPORT TO DIRECTORS

10.04 (a) Not later than 120 days after the close of the corporation's fiscal year, the board shall cause an annual report to be sent to the directors. Such report shall contain the following information in reasonable detail:

- i. The assets and liabilities, including the trust funds, of the corporation as of the end of the year.
- ii. The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- iii. The revenue or receipts of the corporation, for both general and restricted purposes, during the fiscal year.
- iv. Any information required by Section 10.05.

10.04 (b) The report required by this Section shall be accompanied by any report thereon of independent accountants, or, if there is no such report, by the certificate of any authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

Section 10.05. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS

No later than the time the corporation gives its annual report, if any, and in any event no later than sixty (60) days after the close of the corporation's fiscal year, the corporation shall prepare and mail or deliver to each director a statement of the amount and circumstances of any transactions or indemnification of the following kind:

10.05 (a) Each transaction, involving more than \$5,000 or which was one of a number of transactions with the same person involving in the aggregate more than \$10,000.

10.05 (b) Any indemnifications or advances aggregating more than \$5,000 paid during the fiscal year to any officer or director of the corporation pursuant to Article IX hereof, unless such indemnification has already been approved by the directors pursuant to Section 9.05 (b)(ii).

Section 10.06. CONTRACTS, ETC., HOW EXECUTED

The board of directors, except as otherwise provided in these bylaws, may authorize and officer or officers, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of this corporation, and such authority may be general or confined to specific instances; and power or authority to bind this corporation

by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount, subject to Section 6.16 of Article VI.

ARTICLE XI

CONSTRUCTION AND DEFENTIONS

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the above, masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular and the term “person” includes a natural person, corporation, partnership, joint venture, trust or other entity.

ARTICLE XII

AMENDMENTS

These Bylaws may only be amended or replaced under by and approval of the membership.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting Secretary of CHINO VALLEY D.E.S. CLUB, INC., a California Corporation, and the above bylaws, consisting of __ pages, are the bylaws of this corporation as adopted at a meeting of the board of directors held on _____, 19__.

Dated: October __, 1994

Joselino M. Ormonde (Secretary)

Jose A. Gomes (President)

Antonio Rocha (Vice President)

Joselino M. Ormonde (Secretary)

Albert Rodrigues (Director)

Adelino Santos (Director)

Joe Borges Coelho (Director)

Frank Pinheiro (Director)

Frank Rocha (Director)

Joaquim Goncalves (Director)

Joe Gomes (Director)