

P R E A M B L E

NAME

The name of this non-profit organization shall be the Redwood Forest Foundation Incorporated, DBA Redwood Forest Foundation, organized January 8, 1998 under the terms of the non-profit corporations law, to promote the public benefit and the general welfare. This organization shall be fully empowered to receive and administer assets for the attainment of these objectives, all in accordance with the purposes and powers set forth in the California Corporations Code.

ARTICLE I

OFFICES

Section 1. OFFICES

The location of the principal office for the transaction of business is hereby located at Mendocino County, California. Branch offices may at any time be established by the Board of Directors at any place or places within the geographical boundaries of the Redwood Region, when necessary to conduct the business of the Corporation.

Section 2. TITLE TO PROPERTY

The title to all property of the Corporation shall be vested in the Corporation, and the signature of the President authorized at the meeting of the Directors shall constitute the proper authority for the purchase or sale of property, or for the investment or other disposal of trust funds which are subject to the control of the Corporation.

ARTICLE II

PURPOSES AND SCOPE

Section 1. SCOPE OF BYLAWS

These bylaws shall be known as the "Redwood Forest Foundation Bylaws" and shall govern the Redwood Forest Foundation, its Board of Directors, and all of its affiliated and subordinate organizations and groups.

These bylaws shall be adopted by a 2/3 vote, reviewed annually, and revised as necessary at any regular meeting of the Board of Directors, with the consent of (2/3) of the members of the Board.

The Board of Directors may delegate certain powers to the Administrative Staff and to other affiliated and subordinate organizations and groups; such powers to be exercised in accordance with the respective Bylaws of such groups. All powers and functions not expressly delegated to such other organizations or groups are to be considered residual powers vested in the Board of Directors of Redwood Forest Foundation.

The Bylaws of the affiliated and subordinate organizations and groups, and any amendments to such Bylaws, shall not be effective until same are approved by the Board of Directors of the Redwood Forest Foundation. In the event of any conflict between the Bylaws of the affiliated or subordinate organizations or group, and the provisions of these Bylaws, these Bylaws must prevail. In the event these Bylaws are in conflict with any statute of the State of California governing public benefit non-profit corporations, such statute shall prevail.

Section 2. PURPOSES

The purpose of the Redwood Forest Foundation shall include, but not necessarily be limited to the following:

1) Participating through negotiation in the acquisition of privately held forestlands in California, whether through purchase, receipt of gift and/or any other legal means, and to enter into financial markets to obtain appropriate funding to secure title to said forestlands in the state;

2) Managing forests and developing forest management plans employing silvicultural methodologies which are certifiable as

sustainable forestry pursuant to the Principles and Criteria for Natural Forest Management of the Forest Stewardship Council (FSC) while at the same time maximizing landscape, watershed and wildlife habitat protections;

3) Fully inventorying, assessing, evaluating, restoring and maintaining the natural environmental and ecological balance of acquired forestlands and attendant resources;

4) Utilizing conservation easements, wildlife reserves, recreational areas, open spaces and other socially and ecologically appropriate activities consistent with the Corporation's stewardship goals and with the perceived needs of the residents of and visitors to the forested regions of California;

5) Providing employment in forestland management, scientific and educational silvicultural demonstrations, watershed and habitat restoration, timber harvesting, recreation and environmental education, and forest products processing;

6) Utilizing proceeds that may be realized from the management of the acquired forestlands for the long-term social, economic, environmental and cultural benefit of the people residing in those areas;

7) Supporting the activities of other organizations with similar interests.

Section 3. DISPOSITION OF ASSETS UPON DISSOLUTION

The property of this Corporation is irrevocably dedicated to charitable, educational and scientific purposes; and no part of the net income or assets of this Corporation shall ever inure to the benefit of any private person, or any member, officer, or director of this Corporation. Upon 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 non-profit fund, foundation or Corporation which is organized and operated exclusively for charitable and/or educational and/or scientific purposes and which has established its tax exempt status under Section 501(c)3 of the Internal Revenue Code.

Section 4. DISPOSITION OF SURPLUS [OR GAINS]

The Corporation may pay for operational expenses out of the revenue gained from the sale of municipal bonds. Should the operation of the Corporation result in a surplus of revenue over expenses such surplus may be used and dealt with by the Board to further the mission of the organization or for charitable, educational and/or scientific purposes, such as: watershed, habitat and/or recreational improvements, purchase of additional forest lands, grants or gifts to other charitable, educational and/or scientific organizations, or for improvements in the Corporation's facilities, or for other purposes consistent with California Corporations Code, or these Bylaws.

ARTICLE III

DIRECTORS

Section 1. NUMBERS AND QUALIFICATIONS

The Board of Directors shall consist of a minimum of nine (9) members, Consisting of a minimum of two (2) members from each participating county.

Board membership shall attempt to balance public-private interests and include representation from the environmental community, the timber industry, business, natural resources sciences and the general public. The board shall strive to have members who demonstrate expertise in a variety of fields relating to the mission of the organization included but not limited to forestry, timber company management, natural resources, environmental policy, business, finance, and public policy.

A minimum of two (2) members from each county participating on the Board shall represent a range of interest including but not limited to: business, forestry and the environment. They shall be nominated by the Nominating Committee, based on their special expertise, county of residence and interest in the mission and goals of the Redwood Forest Foundation, and elected by a majority of the sitting Board.

Section 2. POWERS AND DUTIES

The Board of Directors shall have and exercise all the powers of a public benefit, charitable non-profit corporation as set forth in the Corporations Code of California. Specifically, the Board of Directors shall be empowered as follows:

A) Develop mechanisms to assure the protection and ecological restoration of forests, waterways and species habitat while conducting certifiable forest management operations, through the utilization of conservation easements.

B) To control and be responsible for the management of all operations and affairs of the Corporation; to make and enforce policies and guidelines necessary for the administration, governance, protection and maintenance of forests and other facilities under the stewardship of the Corporation.

- 1) To develop and maintain a Board of Directors Policy and Procedure Manual.
- 2) To develop, ratify, and maintain Advisory Committees from each participating county.

C) To retain an Executive Director and to define the powers and duties of such;

D) To designate a mechanism for monitoring the performance of the Executive Director;

E) Perform all fiduciary responsibilities for the Corporation;

F) Assure that due diligence is performed prior to all land acquisitions.

Section 4. COMPENSATION

The members of the Board of Directors shall serve without compensation, except that each may be allowed their actual necessary traveling and incidental expenses incurred in the performance of official business of the Redwood Forest Foundation as approved by the board.

Section 5. VACANCIES

Any vacancy upon the Board of Directors shall be filled by appointment by the remaining members of the Board of Directors for such term and under such conditions as may be specified by law. The term of any member of the Board of Directors may expire, at the discretion of the Board, if they are absent from three (3) consecutive regular meetings, or from three (3) or more of any five (5) consecutive regular meetings of the Board and the Board, by resolution, declares that a vacancy exists on the Board.

Section 6. CONTINUING EDUCATION

Any members of the Board of Directors serving an initial term

of office, or returning to office after an extended absence, will take part in an orientation program shortly after taking office. They will familiarize themselves with the Governing Body policies and procedures, and pertinent financial and administrative policies and procedures necessary to assist them in the discharge of their responsibilities. Such orientation information will include, but not be limited to: Corporation Bylaws, Board Policy and Procedures Manual, the Management Plan, the Corporation Policy on Conflict of Interest, Open Meeting Laws, and the current Vision/Mission Statements.

Section 7. PERFORMANCE EVALUATION

The Board of Directors shall perform an annual evaluation of its performance and level of attainment of the goals and objectives as set forth in the Corporation's current Mission Statement. The evaluation may be performed by an ad hoc committee appointed by the Board of Directors (comprised of members of the Board of Directors and the Chief Executive Officer) and/or by a qualified individual or organization not affiliated with Redwood Forest Foundation.

This performance evaluation may include, but not be limited to: management effectiveness, community needs/external relations, compliance with certification and regulatory standards, economic performance goals for the corporation, corporation growth or expansion, fund development, institutional planning, Staff relations and meeting attendance.

Section 8. INDEMNIFICATION

The Board of Directors of the Redwood Forest Foundation, its agents, officers and employees, shall, to the extent allowed by the Corporations Code of the State of California, be entitled to indemnification against any and all judgments, settlements, and expenses actually and reasonable incurred in connection with any act performed by them while in the scope of their service arising out of their service or employment with the Redwood Forest Foundation.

ARTICLE IV

MEETING OF DIRECTORS

Section 1. REGULAR MEETINGS

Regular meetings of the Board of Directors of the Corporation shall be on the third Thursday of each month. The date of regularly scheduled meetings may be changed from time to time by a majority vote of the Board.

Section 2. ANNUAL MEETINGS

The Annual Meeting of the Board of Directors shall be held on the third Thursday of July each year. As the last item of business at the Annual Meeting, the Board shall elect the new Board, Board Officers and appoint committees for the ensuing year; and said Officers and Committee Chairpersons shall assume office immediately.

The Annual Meeting of the Board of Directors shall be open to the public and notice to the public shall be made at least one week prior to the meeting using a newspaper of general circulation in all counties represented on the Board of Directors. The Annual Meeting shall be open to the public provided, however, that the foregoing shall not be construed to prevent the Board of Directors from holding closed sessions to consider the appointment, employment, or dismissal of an employee or director, as that term is defined by law; or to hear complaints or charges brought against such employee or director; or to consider real estate acquisition or sale, or appointment, removal, or change of status of a member of the Staff; or to consult with legal counsel concerning litigation to which the Corporation is a party. Further closed sessions may be held as authorized by statute and case law.

To ensure that the Board is fully informed on matters coming before the Board at the annual meeting, no action will be taken on any item which does not appear on the published and posted agenda. The only exceptions are:

- 1) for an "emergency situation";
- 2) if the item has been posted for a prior meeting of the Board, which occurred less than five (5) calendar days prior to the date action is taken and if at the prior meeting the item was continued to the meeting at which the action is being taken; and
- 3) if two-thirds (2/3) vote affirmatively, or, if less than

two-thirds of the members are present, a unanimous vote of those members present, adopt a finding that the need to take action arose subsequent to the posting of the agenda.

Section 3. SPECIAL MEETINGS

Special meetings of the board of Directors may be called at any time by the Presiding Officer or by a majority of the members. Written notice of the time, place, and substance of such meeting shall be mailed or delivered personally to each member of the Board of Directors and shall be received at least twenty-four hours before the time of the meeting. Notice may be waived pursuant to §54596 of the Government Code.

Section 4. QUORUM

A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business. A simple majority affirmative vote shall be required for all routine actions of the Board. A two-thirds (2/3) majority affirmative vote shall be required for the following actions by the Board:

- 1) Adoption of all Resolutions and/or Actions which constitute:
 - a. A change in forest management policy
 - b. Change in by-laws
 - c. Incurring indebtedness to the Corporation
 - d. The hiring or firing of the Executive Director

- 2) Approval of any expenditures in excess of \$10,000.00.

Section 5. ADJOURNMENT

A quorum of the Board of Directors may adjourn any Directors' meeting to meet again at a stated day and hour, provided, however, that in the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors.

Section 6. MINUTES

The Secretary of the Board of Directors shall cause to be kept at the principal office of the Corporation, a book of minutes of all open meetings of the Board of Directors, showing the time and place, whether regular or special, and if special, how authorized, the notice given, the names of the Directors present, and a statement of the vote of the Directors present.

ARTICLE V

OFFICERS

Section 1. OFFICERS

The Officers of the Board of Directors shall be a President, a Vice President, a Secretary and a Treasurer. These positions shall be held by separate individuals.

Section 2. ELECTION OF OFFICERS

The Officers of the Board of Directors shall be chosen by the Board of Directors as the last item of business at the July annual Meeting of the Board, each and every calendar year. The term of each Officer thus chosen shall begin immediately and shall be for one (1) year, or until their successor shall be elected and qualified, or until they are otherwise disqualified to serve.

Section 3. PRESIDENT

The Board of Directors shall elect one (1) of their number to act as President. If at any time the President shall be unable to act, the Vice-President shall take his/her place and perform his/her duties. If the Vice-President shall also be unable to act, the Board may appoint some other member of the Board of Directors to do so, and such person shall be vested temporarily with all the functions and duties of the office of President.

The President, or member of the Board of Directors acting as such, as above provided:

(A) shall preside over all meetings of the Board of Directors;

(B) shall sign as President, on behalf of the Corporation, all instruments in writing for which there has been specific authorization by the Board for the President to sign;

(C) shall have, subject to the advice and control of the Board of Directors, general responsibility for management of the affairs of the Corporation during their term of office;

Section 4. VICE PRESIDENT

The Vice-President shall, in the event of death, absence or other inability of the President, exercise all the powers and perform all the duties herein assigned to the President.

Section 5. SECRETARY

The Secretary shall keep, or cause to be kept, accurate and complete Minutes of all open meetings, call meetings on order by the President, attend to all correspondence of the Board, and perform such other duties as ordinarily pertain to the office.

Section 6. TREASURER

The Board shall elect a Treasurer from its membership, whose duty shall be to ascertain that all receipts are deposited and disbursements made in accordance with these Bylaws, the directions of the Board, and good business practice. The Board may delegate to the Executive Director the duty to maintain the financial records of the Corporation, and to prepare such financial reports as are required by the Board or the Executive Director.

Section 7. OTHER OFFICES

The Board of Directors may create such other offices as the business of the Corporation may require, and the holder of each such office shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws, or as the Board of Directors may from time to time determine. Such additional offices may be filled either by members or non-members of the Board of Directors.

ARTICLE VI

COMMITTEES

Section 1. COUNTY ADVISORY COMMITTEES

Advisory Committees shall be established to provide local direction and guidance to the Board of Directors in those counties having lands actively managed by the Board. The Board will ratify membership on Advisory Committees.

NUMBERS AND QUALIFICATIONS

These committees shall consist of residents of the respective county. The members shall represent a variety of interests and could include but are not limited to participants from:

County Board of Supervisors;
Environmental members;
Forest Resources Professional; and
the General public.

The members of the Advisory Committees shall be nominated by the Nominating Committee, based on their special expertise, county of residence and interest in the mission and goals of the Redwood Forest Foundation, and elected by a majority of the sitting Board.

Advisory Committee from each county roles (responsibilities)

Identification of key projects w/in respective county

- 1) Gather input from stakeholders in area
- 2) Develop principles of purchase and management. In conjunction with the guidelines of RFFI
- 3) Provide the Board with feedback regarding management compliance on properties owned by RFFI within their respective counties.
- 4) Provide linkage with local land trusts for conservation easements with the respective counties.
- 5) Fund raising for preservation interest on projects proposed in their respective counties.
- 6)

Section 2. SPECIAL COMMITTEES

The President, with the concurrence of the Board, may from time to time appoint one or more members of the Board, and other persons as necessary or appropriate, to constitute special committees for the investigation, study, or review of specific

matters. Such committees shall report to the Board, and no committee so appointed shall have any power or authority to commit the Board of Directors or the Corporation in any manner.

Section 3. STANDING COMMITTEES

Standing committees may be appointed as set forth below, and, if appointed, such committees shall continue in existence until discharged by specific action of the Board of Directors:

- (A) Executive Committee
- (B) Finance and Community Investment Committee
- (C) Planning Committee
- (D) Nominating Committee

Other standing committees may be appointed from time to time as the Board of Directors may authorize. The above committees shall be appointed by the newly installed elected Board of Directors following the annual election of the Board and Officers.

Section 4. EXECUTIVE COMMITTEE

The President, Vice-President, Secretary and Treasurer of the Board of Directors shall constitute the Executive Committee of the Board. The Executive Committee shall meet from time to time formally or informally in order to deal with pertinent matters in between regularly scheduled Board meetings.

Section 5. FINANCE AND COMMUNITY INVESTMENT COMMITTEE

The Finance and Community Investment Committee shall be chaired by the Treasurer of the Board of Directors, and shall consist of at least four (4) other members of the Board. The Committee will also include the Corporation's Financial Advisor, whether that is a Certified Public Account or Chief Financial Officer. This Committee shall be responsible for the management of all endowment and trust funds, and to see that proceeds are paid into proper funds of the Corporation and used in accordance with the terms of the trust.

The Finance and Community Investment Committee, in consultation with the Executive Director, shall also be responsible

for supervising the financial planning, and operations of the corporation, and such other matters as may be assigned to it from time to time by

the Board of Directors. This Committee shall also be responsible for setting policy for the distribution of profits and/or surplus from the Corporation to benefit the communities in the counties where the Redwood Forest Foundation manages its forest lands.

Section 6. PLANNING COMMITTEE

The Planning Committee, meeting at least annually or as needed, and consisting of five (5) members: two (2) members of the Board of Directors, the Executive Director, one (1) member of the Staff, and one (1) member of the community, shall recommend long range goals and objectives for the corporation. Subcommittees may be formed as deemed necessary by the Committee or the Board of Directors.

Section 7. NOMINATING COMMITTEE

The Nominating Committee shall consist of five (5) members representing a cross section of the expertise and regional representation on the Board of Directors. The Nominating committee shall be chaired by the vice-president of the Board of Directors. The Nominating Committee shall meet as needed to review the applications of qualified persons to fill vacancies on the Board of Directors and Standing Committees of the Board.

ARTICLE VII

EXECUTIVE DIRECTOR

The Board of Directors shall select and employ an Executive Director, who, subject to such policies as may be adopted, and such orders as may be issued by the Board of Directors, or by any of its committees to which it has delegated power for such action, shall have the responsibility, as well as the authority, to function as the Chief Executive Officer of the institution, translating the Board of Directors' policies into actual operation. In such capacity the Executive Director they shall have authority to:

- (A) Delegate duties and establish formal means of accountability on the part of subordinates;
- (B) Maintain effective liaison among the Board of Directors, Staff and Operations;

- (C) Plan, organize and direct operations of the corporation pursuant to policies established by the Board of Directors;
- (D) Establish and communicate personnel policies and practices that adequately support sound forest management;
- (E) Specifically implement programs necessary to control and effectively utilize the physical and financial resources of the corporation, including:
 - Budgeting, control of accounts receivable, handling of cash, extending of credit, establishment of rates and charges, monitoring of the corporation insurance program;
- (F) Function for the Board as monitor of the operations rendered within the institution, with the delegated power to act in concert with elected or appointed officers of the Staff when in the Executive Director's judgment corrective action is required;
- (G) Function as monitor of the Corporation's licensing, fire and safety status, with freedom to make such adjustments as required;
- (H) Function as an interface to the community with authority to speak for the institution in matters of public relations;
- (I) Function as coordinator of the Corporation's Strategic Plan;
- (J) Create and present reports to the Board of Directors and the Staff as appropriate, including an annual budget showing the expected receipts and expenditures as required by law;
- (K) Negotiate and execute on behalf of the corporation:
 - (1) Contracts, licenses and leases for equipment, supplies, materials and services up to the bid limit provided by Board Policy;
 - (2) Contracts, licenses and leases for capital equipment

items which have been budgeted by the Board of Directors, and which may be approved from time to time pursuant to the Board's regular procedure.

- (L) Monitor the Corporation's adherence to certification requirements of the Corporation's forest management operations.

The above and foregoing Bylaws of the Redwood Forest Foundation were reviewed and approved at a regular meeting of the Board of Directors held on November 8, 2001, by the following vote:

AYES: 6

NOES: -0-

ABSENT: G. Guisti, D. Simpson

Art Harwood, President
Board of Directors

Greg Guisti, Secretary
Board of Directors

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