

# HUMBOLDT COUNTY GROWERS ALLIANCE

## BYLAWS OF HUMBOLDT COUNTY GROWERS ALLIANCE A California Nonprofit Mutual Benefit Corporation

### ARTICLE I

#### NAME, OFFICES, AND PURPOSE

##### 1.1 Name

The name of this corporation is Humboldt County Growers Alliance (hereinafter, the “Corporation”).

##### 1.2 Principal Office

The principal office of the Corporation is located in the County of Humboldt, California.

##### 1.3 Mailing Address

The Board of Directors may from time to time designate one or more mailing addresses for the Corporation within or outside the State of California for such purpose as the Board of Directors may consider appropriate. The Board of Directors may change or terminate any mailing address or alter the purpose of any mailing address at any time.

##### 1.4 Mission

The Humboldt County Growers Alliance is formed for the purposes to preserve, protect, and enhance Humboldt County’s world-renowned cannabis industry.

##### 1.5 Purpose; Limitations; Operating Structure

The Corporation may engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under applicable California law. The specific purpose of the Corporation shall primarily be to pursue the mutual interest and benefit of its members, including but not limited to, (i) advocate for Humboldt County-based cannabis businesses licensed pursuant to California state law or in the license process, (ii) the creation and dissemination of educational and promotional items, (iii) state and local advocacy related to cannabis laws, policies, and regulations. Notwithstanding any other provision of these Bylaws, the Corporation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of the Corporation. The Corporation is to be operated as a non-profit entity.

##### 1.6 Dissolution; Distribution of Funds

Upon the winding up and dissolution of the Corporation, or the conversion of this Corporation into another type of business entity, after paying or adequately providing for the payment of the debts, obligations and liabilities of the Corporation, the remaining assets of the Corporation shall be distributed in a manner determined by the Board in its sole discretion, provided that such distribution satisfies the requirements set forth in the California Nonprofit Mutual Benefit Corporation Law, the Code, any other applicable laws, and any limitations in the Articles or Bylaws relating to dissolution or conversion.

## 1.7 Prohibition Against Sharing Corporate Profits and Assets

No member, director, officer, employee, or other person connected with this Corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the Corporation in effecting any of its nonprofit purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the Corporation. All members, if any, of the Corporation shall be deemed to have expressly consented and agreed that on such dissolution, conversion or winding up of the affairs of the Corporation, whether voluntarily or involuntarily, the assets of the Corporation, after all debts have been satisfied, shall be distributed as required by these Bylaws and not otherwise.

## ARTICLE II

### MEMBERSHIP

#### 2.1 Eligibility for Membership

##### 2.1.1 General Eligibility

Except as otherwise provided in these Bylaws, any "person," as defined in California Corporations Code Section 5065, is eligible to become a member of the Corporation upon meeting the qualifications for membership in a class described in Section 2.2 of these Bylaws; provided, however, that only natural persons may be Board of Director Members as described in Section 2.2.5 of these Bylaws.

##### 2.1.2 Eligibility and Membership Restrictions

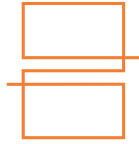
The following eligibility and membership restrictions will apply notwithstanding anything in these Bylaws to the contrary:

1. An individual will not be eligible for membership unless such individual is at least 21 years old.
2. No subsidiary of the Corporation may be admitted to membership of the Corporation.
3. A "person," as defined in California Corporations Code Section 5065, may not hold more than one membership in each class.
4. No fractional memberships will be issued.
5. HCGA limits its membership to individual businesses with 8-acres (348,480 square feet) or less cultivation, as part of any single project. Eight acres is based on the Humboldt County land-use ordinance (CCLUO), Section 55.4.5.4 Permit Limits and Permit Counting 55.4.5.4.1 "No more than eight acres of Commercial Cannabis cultivation permits may be issued to a single person."

#### 2.2 Classification and Qualification of Members

##### 2.2.1 Member Classes

The Corporation shall have the following progressively tiered classes of Licensed Cannabis Business members, based on the size and scale of the member company, with larger companies contributing more than smaller companies:



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1. Cottage Cannabis Business Members: This class of membership is intended for cannabis operators that employ zero to three fulltime employees (including family members, farm labor contractors); single license holders .
2. Boutique Cannabis Business Members: This class of membership is intended for cannabis operators that employ four to seven full-time employees (including family members, farm labor contractors); 1-2 license holders .
3. Pillar Cannabis Business Members: This class of membership is intended for cannabis operators that employ seven to twelve full-time employees (including family members, farm labor contractors); 3-5 license holders
4. Keystone Cannabis Business Members: This class of membership is intended for cannabis operators that employ 13 to 75+ full-time employees (including family members, farm labor contractors); 6+ license holders.

Allied Industry Business Members. This class of membership is intended for ancillary businesses, and licensed operators outside of Humboldt County that support HCGA's mission and members. Membership tier pricing is based on level of access chosen by the AIB. This class of membership may not serve on HCGA's Policy Committee; however, these members may vote for Policy Committee members.

1. Bronze AIB
2. Silver AIB
3. Copper AIB
4. Gold AIB
5. Platinum AIB

Unless otherwise indicated expressly or by context, the term "member" or "members" as used in these Bylaws refers to all classes of membership. Allied Industry Business member applications shall be reviewed by the Executive Director and approved by the Board of Directors.

## 2.2.2 Membership Qualifications

A Member of the Corporation is a "person," as defined in California Corporations Code Section 5065, who meets each of the following qualifications:

(1) The member is a cannabis operator seeking permitting by Humboldt County of municipalities within Humboldt County, and intending to be fully licensed pursuant to local and state law.

(2) The member completes and signs a "Membership Application" indicating level of membership, which application is accepted by the Corporation and approved by the Executive Director.

(3) The member timely pays all membership dues owed to the Corporation as they become due, the amount of which may be set and changed at any time at the discretion of the Board by majority vote.

(4) The member adheres to the Bylaws, rules, regulations, and policies of the Corporation, as determined in the sole discretion of the Board, and is in good standing with the Corporation.

Each qualifying “person” may acquire no more than one Member position. Members have no voting rights. Members will be notified of and may attend the annual membership meeting.

### 2.2.3 Additional Qualifications and Classes; Entity Qualifications; Membership Renewal

The Board of Directors may establish one or more new classes of membership and may specify additional qualifications for membership in each class from time to time, provided that no new classes or qualifications will result in termination of an existing membership solely for failure to meet the new qualifications or class eligibility requirements. In addition, where any requirements or qualifications of membership contemplate action to be taken by an individual, any entity applying for membership may satisfy such requirements or qualifications by and through one or more of such entity’s officers or agents who is duly authorized to bind the entity to membership in the Corporation. No membership renewal forms are required to be provided to maintain membership status, unless otherwise determined in the sole discretion of the Board of Directors.

### 2.3 Admission to Membership

The Board of Directors may from time to time, by resolution duly adopted, authorize one or more of the officers of the Corporation to approve or reject membership applications subject to such restrictions and limitations as the Board may deem necessary or advisable.

### 2.4 Membership Dues

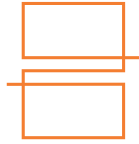
Will be billed annually, on a 12-month cycle. Members can make quarterly, monthly, or once a year payments.

	HCGA Membership Categories	
Cottage	0 -3 full-time employees	\$600
Boutique	4-7 full-time employees	\$1,200
Pillar	7-12 full-time employees	\$2,400
Keystone	13+ full-time employees	\$5,400+
Bronze	See HCGA.co	\$1000
Silver	See HCGA.co	\$2,400
Copper	See HCGA.co	\$4,200
Gold	See HCGA.co	\$6,000
Platinum	See HCGA.co	\$9,000

### 2.5 Number of Members

There is no limit on the number of members that may be admitted to the Corporation.

### 2.6 Membership Records



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The Corporation shall keep a membership book containing the name, e-mail address (if provided), and class of each member in written form or in any form capable of being converted into written form. The book must also (i) state when the member first became a member, (ii) note whether there has been any break in membership since the member first became a member, and (iii) note if a membership has terminated and the date on which that membership ceased. The membership book will be kept at the principal office of the Corporation and is subject to the rights of inspection required by law and as set forth in Section 7.4 of these Bylaws.

## 2.7 No Membership Certificates

The Corporation will not issue membership certificates. However, the Corporation reserves the right to issue identity cards or similar devices to members to serve to identify members for any reason related to the Corporation's purposes.

## 2.8 Non-Liability of Members

Notwithstanding Sec. 2.6 of these Bylaws, a member of the Corporation is not personally liable, solely because of membership, for the debts, obligations, or liabilities of the Corporation.

## 2.9 Non-Transferability of Membership

No member shall have the right to transfer membership or any right arising therefrom. Notwithstanding the foregoing, the Board of Directors may from time to time approve, by resolution duly adopted, the transfer of a membership by a member that is an entity and that has merely changed the form of business without any ownership change, such as by incorporation of a sole proprietorship or partnership. All approvals of transfers in these situations will be made fairly and equitably, and in no event will any transfer of membership result in profit to the transferor.

## 2.10 Termination of Membership

### 2.10.1 Causes for Termination

The membership and all rights of membership automatically terminate on the occurrence of any of the following causes:

(1) The voluntary resignation of a member, with notice as prescribed by Section 2.13.2 of these Bylaws;

(2) The death of an individual member;

(3) The dissolution or cessation of a collective, cooperative, association, corporate, partnership, limited liability company or other entity member;

(4) The nonpayment of dues, fees, or assessments, as set by the Board of Directors, for more than 45 calendar days after they become due and payable;

(5) Any event or condition that renders the member ineligible for membership, as determined in the sole discretion of the Board of Directors;

(6) The member's failure to satisfy all membership qualifications as set forth herein; or

(7) Subject to the limitations set forth in Section 2.13.3 of these Bylaws, upon a good faith determination by the Board of Directors, or by a committee or person authorized by the Board

to make such a determination, that the member has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests, or that places the Corporation in jeopardy of violating applicable law or losing its status as a tax-exempt organization.

#### 2.10.2 Resignation by Giving Notice

The membership of any member of the Corporation shall automatically terminate on such member's written request for such termination delivered personally to any officer of the Corporation or deposited in United States first class mail, postage prepaid, to the mailing address of the Corporation.

#### 2.11.4 Effect of Termination

Any and all rights of a member in the Corporation cease on the termination of membership. The Corporation retains the right to enforce any obligation or obtain damages for any member breach.

### ARTICLE III

#### ANNUAL MEETINGS OF MEMBERS

##### 3.1 Place

Meetings of members may be held at any location within the County of Humboldt that may be designated from time to time by resolution of the Board of Directors.

##### 3.2 Annual Meeting

Unless otherwise determined by resolution of the Board of Directors with a majority vote, the Corporation shall hold one annual meeting of the membership at such date and time as the Board shall determine.

### ARTICLE IV

#### DIRECTORS

##### 4.1 Number

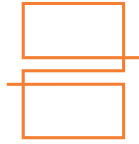
The corporation will have a minimum of three (3) Directors and a maximum of eleven (11) Directors, with the exact amount to be determined by the Board of Directors. Collectively, the Directors will be known as the Board of Directors.

##### 4.2 Qualifications

The Directors of the Corporation must be natural persons who are (i) at least 18 years old, (ii) Licensed Humboldt County Cannabis Business Members in good standing, or owners, operators, directors, officers or employees of a Member in good standing, and (iii) up to 20% of the Board of Directors may be comprised of Allied Industry Business Members. The Board of Directors will appoint new Directors annually or when a Director seat is available, as needed. Board members shall authorize use of their name, photograph and biography for use by the Corporation.

##### 4.3 Meetings

The Board of Directors shall meet at least four times per year. Meetings shall be held in Humboldt County. Written notice of the meeting that includes an agenda shall be sent by the Chair of the Board or a committee at least one week in advance of the meeting. Relevant reports and updates shall be sent at least 24 hours prior to the meeting. Notice, agenda, and reports may be



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delivered using Google groups and Slack. Special meetings of the Board may be held on four (4) days notice by electronic mail

## 4.4 Rules and Procedures

All Corporation boards, committees, and councils shall conduct their business using the following protocols:

### 4.4.1 Quorum

A quorum of the voting body shall be considered 60% or more of the voting members of a voting body.

### 4.4.2 Rules of Order

Robert's Rules of Order, as amended from time to time, will govern the meetings of the Board insofar as those rules are not inconsistent with or in conflict with these Bylaws, the Articles of Incorporation, or the rules governing agenda, motions, and related matters.

### 4.4.3 Decision Making

All Corporation boards, committees, and councils shall make decisions using a modified consensus method. The chair or presiding officer shall seek consensus of all participating members of the body. However, if consensus is unachievable decisions can be made by achieving a 60% majority vote.

### 4.4.4 Quorum

A majority of the authorized number of Directors constitutes a quorum of the Board for the transaction of business, except as otherwise provided in these Bylaws.

### 4.4.5 Transactions of Board

Except as otherwise provided in the Articles of Incorporation, in these Bylaws, or by law, every act or decision by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board. At any meeting at which a quorum was initially present, the Directors may continue to transact business notwithstanding the withdrawal of one or more Directors if any action taken is approved by at least a majority of the required quorum for that meeting, or such greater number as may be required by law, the Articles of Incorporation, or these Bylaws.

### 4.4.6 Conduct of Meetings

Any Director selected by the Directors present may preside at meetings of the Board of Directors. The Secretary of the Corporation or, in the Secretary's absence, any person appointed by the presiding officer will act as secretary for the Board. Directors may participate in a meeting through use of conference telephone or similar communications equipment, as long as all persons participating in the meeting can hear one another. This participation constitutes personal presence at the meeting.

## 4.5 Action Without Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board individually or collectively consent in writing to that action. Written consents must be filed in the Corporation's minute book with the minutes of the proceedings of the Board. Action by written consent has the same force and effect as the unanimous vote of the Directors at a meeting regularly or specially held.

#### 4.5 Responsibilities of Board Members

The Board of Directors shall be responsible for the following:

1. Perform any and all duties imposed on them collectively or individually by law, by the articles of incorporation of this corporation, or by these bylaws;
2. Appoint and remove, employ and discharge, and, except as otherwise provided in these bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation;
3. Supervise all officers, agents, and employees of the corporation to assure that their duties are performed properly;
4. Meet at such times and places as required by these bylaws;
5. Register their addresses with the secretary of the corporation and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

#### 4.6 Removal and Resignation of Officers

Any officer may be removed, either with or without cause, by the Board, at any time. Any officer may resign at any time by giving written notice to the Board and or to the executive director or secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

#### 4.7 Compensation

Directors shall serve without compensation.

#### 4.8 Interested Directors

Notwithstanding any other provision of these bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons" means either:

1. Any person currently being compensated by the corporation for services rendered it within the previous twelve (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
2. 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.

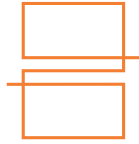
Directors shall report and disclose to the membership any and all compensation received from the organization.

#### 4.9 Vacancies

##### 4.9.1 Causes for Vacancy

Vacancies on the Board of Directors occur (1) on the death, resignation, or removal of any Director; (2) whenever the number of authorized Directors is increased; and (3) on the failure of the members in any election to elect the full number of authorized Directors.





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## 4.9.2 Vacancies Filled by Directors

Except as otherwise provided in the Articles of Incorporation or these Bylaws and except for a vacancy created by the removal of a Director pursuant to Section 4.9 of these Bylaws, vacancies on the Board of Directors may be filled by approval of the Board of Directors or, if the number of Directors then in office is less than a quorum, by (1) the unanimous written consent of the Directors then in office, (2) the affirmative vote of a majority of the Directors then in office at a meeting held pursuant to notice or waivers of notice as provided in Section 4.7.5 of these Bylaws, or (3) a sole remaining Director.

## 4.10 Terms of Office

The initial Directors appointed by the Incorporator shall remain Directors until the sooner of (i) three years after the date they were appointed by the Incorporator or (ii) the date that their respective successors are appointed as directors of the Corporation in the manner set forth herein. Each Director will hold office for a term of three years, unless a different term is established by a duly adopted resolution of the Board of Directors. After a three-year term, a Director may seek re-appointment. Directorship positions will be voted upon as necessary to appoint vacant seats. Notwithstanding the expiration of a Director's term, such Director will continue to hold office until the Director's successor is elected. If a Director is removed at a special meeting that Director will hold office until his or her removal and his or her successor is elected by the remaining Board Members.

## 4.11 Nomination

Any person qualified to be a Director under Section 4.2 of these Bylaws may be nominated by the method of nomination authorized by the Board or by any other method authorized by law.

## 4.12 Election

Prospective Directors will be nominated and elected by the Board of Directors, as prescribed by Section 4.1 of these Bylaws. The candidates receiving the highest number of votes up to the number of Directors to be elected shall be deemed elected. Directors are eligible for re-election, provided they continue to meet the qualifications required by Section 4.2 of these Bylaws, without limitation on the number of terms they may serve.

## 4.9 Removal of Directors for Cause

The Board may declare vacant the office of a Director on the occurrence of any of the following events:

- (1) The Director has been declared of unsound mind by a final order of court.
- (2) The Director is convicted of a felony while serving as Director.

## 4.10 Resignation of Director

Any Director may resign effective on written notice to the Board of Directors. The notice may specify a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

## 4.12 Contracts With Directors

No Director of the Corporation, or any other corporation, firm, association, or other entity in which one (1) or more of the Corporation's Directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with the Corporation unless the material facts regarding such Director's financial interest in such contract or transaction or regarding such common directorship, officer ship, or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all Board members before consideration by the Board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the vote of the interested Director.

#### 4.13 Non-Liability of Directors

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

#### 4.14 Committees

##### 4.14.1 Delegation of Board Authority to Committees

The Board of Directors may, by a majority vote of Directors, create committees consisting of two (2) or more Directors per committee, and delegate to any such committee any of the powers and authority of the Board in connection with the management of the business and affairs of the Corporation, except with respect to:

(1) The approval of any action which, under law or the provisions of these Bylaws, requires the approval of all, or a majority of, the Voting Members.

(2) The filling of vacancies on the Board or on any committee that has the authority of the Board.

(3) The fixing of compensation of any officer of the Corporation.

(4) The amendment or repeal of Bylaws or the adoption of new Bylaws.

(5) The amendment or repeal or any resolution of the Board which by its express terms is not so amendable or repealable.

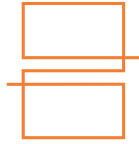
(6) The appointment of committees of the Board or the members thereof.

(7) The approval of any transaction involving an interested Director, as described in Section 4.12 of these Bylaws.

By a majority vote of the Directors then in office, the Board may at any time revoke or modify any or all of the authority so delegated to the committee, increase or decrease (but not below two (2)) the number of the committee's members, and fill vacancies on the committee from the Board of Directors. The Board of Directors may form as many committees for such purposes as the Board deems necessary or advisable.

##### 4.14.2 Meetings and Actions of Committees

Meetings and actions of committees shall be governed by, noticed, held, and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are 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 be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of



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Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

#### 4.14.3 Records of Committee Proceedings

Each committee shall keep regular minutes of its proceedings, shall cause them to be filed in the Corporation's minute book, and shall report its proceedings to the Board from time to time as the Board may require.

#### 4.14.4 Executive Board Committee

Composition of the Executive Board Committee. The Executive Board Committee shall consist of between three and 11 members. At a minimum the Executive Board Committee shall consist of the Chair, Secretary, Treasurer and the Executive Director

#### 4.14.5 Powers of the Executive Board

- A. The Executive Board shall have the powers and authority of the Board in the management of the business and affairs of the corporation including development of policies and procedures, except with respect to:
- i. Hiring and firing of executive director, staff or contractors.
  - ii. The fixing of compensation of any staff member of the Corporation.
  - iii. The approval of any action which, under law or the provisions of these bylaws, requires the approval of the members or of a majority of all of Board of Directors.
  - iv. The filling of vacancies on the Board or on the Executive Committee that has the authority of the Board.
  - v. Substantive amendments or repeal of bylaws/policy manual or the adoption of new bylaws/policy manual.
  - vi. Substantive amendment or repeal or any resolution of the Board which by its express terms is not so amendable or repealable.
  - vii. The approval of any transaction to which this corporation is a party and in which one or more of the directors has a material financial interest, except as expressly provided in Section 75233(d)(3) of the California Nonprofit Mutual Public Benefit Corporation Law.

#### 4.14.4 Advisory Committee

The Board of Directors may, by a majority vote of Directors, create one (1) or more advisory committees consisting of two (2) or more persons, none of whom are required to be Directors. Advisory committees cannot be delegated any power or authority held by the Board of Directors. With the Board's permission, any advisory committee members may report to the Board at any Board meeting to advise the Board of the activities and recommendations of the advisory committee.

#### 4.15 Regional Partners

The Corporation may have Regional Partners dependent on contractual agreements agreed upon by Board of Directors. Regional Partners will maintain an independent membership. All members of the Regional Partners will be considered members. The Corporation shall maintain an updated list of Regional Partners.

#### 4.16 Executive Director

The Corporation shall have an Executive Director. The Executive Director will serve as the primary liaison with the Board of Directors, members, government agencies, and other organizations, and helps to set and achieve the vision for the future and growth of HCGA.

## ARTICLE V

### OFFICERS

#### 5.1 Number and Titles

The officers of the Corporation shall be a Chair, Secretary, and a Treasurer, and those other officers and assistant officers with such titles and duties as may be determined by the Board of Directors from time to time. Any number of offices may be held by the same person, except that the Secretary or Treasurer may not serve concurrently as the President.

#### 5.2 Appointment; Term; Resignation

The officers will be chosen by the Board and serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment. The term of office of each officer position is one year, and officers shall be elected by a majority vote of the Board at each annual meeting. Any officer may resign at any time on written notice to the Corporation without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

#### 5.3 Duties of Chair

The Chair shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the Corporation and the activities of the officers and staff of the Corporation. The Chair shall preside at all meetings of the Board of Directors unless another person is specifically appointed to act as chairperson of the meeting. The Chair shall preside at all meetings of the members. Except as otherwise expressly provided by law, by the Articles of Incorporation, by these Bylaws, or by resolution of the Board of Directors, the Chair may, in the name of the Corporation, execute such contracts or other instruments as may from time to time be authorized by the Board of Directors.

#### 5.4 Duties of Secretary

The Secretary shall:

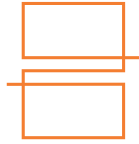
(1) Certify and keep at the principal office of the Corporation the original or a copy of these Bylaws as amended or otherwise altered to date;

(2) Keep at the principal office of the Corporation, or at such other place as the Board may determine, a book of minutes of all meetings of the Directors, and, if applicable, meetings of committees and members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof;

(3) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law;

(4) Be custodian of the records and, if applicable, the seal of the Corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the Corporation under its seal is authorized by law or these bylaws;

(5) Keep at the principal office of the Corporation a membership book containing the name and e-mail address of each and any member, and, in the case where any membership has been



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terminated, the Secretary shall record such fact in the membership book together with the date on which such membership ceased;

(6) Exhibit at all reasonable times to any Director of the corporation, or to his or her agent or attorney, on request therefor, the Bylaws, the membership book, and the minutes of the proceedings of the Directors of the Corporation; and

(7) In general, perform all duties incident to the office of secretary and such other duties as may be required by law, by the Corporation's Articles of Incorporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

## 5.5 Duties of Treasurer

Except as otherwise provided by resolution of the Board of Directors, the Treasurer shall:

(1) Have charge and custody of, and be responsible for, all funds of the Corporation, and shall deposit all such funds in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors;

(2) Receive, and give receipt for, monies due and payable to the Corporation from any source whatsoever;

(3) Disburse, or cause to be disbursed, the funds of the Corporation as may be directed by the Board of Directors or any officer of the Corporation duly authorized by the Board of Directors to do so, taking proper vouchers for such disbursements;

(4) Keep and maintain adequate and correct accounts of the Corporation's property and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses;

(5) Exhibit at all reasonable times the books of account and financial records to any Director of the Corporation, or to his or her agent or attorney, on request therefor;

(6) Render to the President and Board of Directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the Corporation;

(7) Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports; and

(8) In general, perform all duties incident to the office of treasurer and such other duties as may be required by law, by the Corporation's Articles of Incorporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

## 5.6 Non-Liability of Officers

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

## ARTICLE VI

### INDEMNIFICATION; INSURANCE

#### 6.1 Indemnification of Directors and Officers

### 6.1.1 Corporation's Obligation to Indemnify

To the fullest extent permitted by law, this Corporation may, at the discretion of the Board of Directors, indemnify its Directors and officers, and may indemnify employees and other persons described in California Corporations Code Section 7237(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in California Corporations Code Section 7237(a), and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this section of the Bylaws, shall have the same meaning as in California Corporations Code Section 7237(a).

### 6.1.2 Indemnification Procedures

On written request to the Board by any person seeking indemnification under California Corporations Code Section 7237(b) or 7237(c), the Board shall promptly decide under California Corporations Code Section 7237(b) or 7237(c) whether the applicable standard of conduct set forth in California Corporations Code Section 7237(b) or 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of Directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of Directors who are not parties to that proceeding, the Board shall promptly call a meeting of Voting Members. At that meeting, the Voting Members shall determine under California Corporations Code Section 7237(e) whether the applicable standard of conduct has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

### 6.1.3 Expense Advance

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 6.1.1 and 6.1.2 of these Bylaws in defending any proceeding covered by those sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Corporation for those expenses.

## 6.2 Insurance for Corporate Agents

The Corporation shall have the right, and shall use its best efforts if it exercises such right, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, to cover any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising from the officer's, Director's, employee's, or agent's status as such.

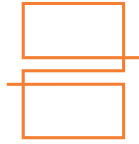
## ARTICLE VII

### CORPORATE RECORDS, REPORTS, AND SEAL

#### 7.1 Recordkeeping

The Corporation must keep adequate and correct records of account and minutes of the proceedings of its members, Board, and committees of the Board. The Corporation must also keep a record of its members giving their names and e-mail addresses and the class of membership held by each, as described in Section 2.8 of these Bylaws. The minutes and other books and records will be kept in either written form or in any other form capable of being converted into written form.

#### 7.2 Annual Report



# HUMBOLDT COUNTY GROWERS ALLIANCE

If required by law, an annual report will be prepared not later than one hundred twenty (120) days after the close of the Corporation's fiscal year. The annual report must contain in appropriate detail all the information required by California Corporations Code Section 8321(a), specifically:

- (1) A balance sheet as of the end of the fiscal year and an income statement and statement of changes in financial position for the fiscal year;
- (2) A statement of the place where the names and e-mail addresses of the current members are located; and
- (3) Any information concerning certain transactions and indemnifications required by California Corporations Code Section 8322.

If required by law, the Corporation will notify each Member yearly of the member's right to receive a financial report pursuant to California Corporations Code Section 8321(a). Except when the Corporation does not have more than \$10,000 in assets at any time during the fiscal year, on the written request of a Voting Member, the Board of Directors must promptly cause the most recent annual report to be sent to the requesting Voting Member.

## 7.3 Annual Statement of Certain Transactions and Indemnifications

The Corporation must furnish annually to its members a statement of any transaction or indemnification described in California Corporations Code Section 8322(d) and (e), if that transaction or indemnification took place. The annual statement must be affixed to and sent with the annual report described in Section 7.2 of these Bylaws or, if no annual report is issued, must be sent as a separate document within one hundred twenty (120) days after the close of the Corporation's fiscal year.

## 7.4 Members' Inspection Rights

### 7.4.1 Demand

Subject to the Corporation's right to set aside an inspection demand pursuant to California Corporations Code Section 8331 and the authority of the court to limit inspection rights pursuant to California Corporations Code Section 8332, and unless the Corporation provides a reasonable alternative as permitted by Section 7.4.2 of these Bylaws, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

(1) Inspect and copy the record of all the members' names, e-mail addresses, and voting rights, at reasonable times, on five business days' prior written demand on the Corporation, which must state the purpose for which the inspection rights are requested; or

(2) Obtain from the Secretary of the Corporation, on written demand and tender of a reasonable charge, a list of the names, e-mail addresses, and voting rights of those members entitled to vote for the election of Directors, as of the most recent record date for which it has been compiled or as of the date of demand. The demand must state the purpose for which the list is requested. The membership list will be available on or before the later of ten business days after the demand is received, or after the date specified in the demand as the date as of which the list is to be compiled.

### 7.4.2 Alternative Method of Achieving Inspection Purpose

The Corporation, within ten (10) business days after receiving a demand pursuant to Section 7.4.1 of these Bylaws, may deliver to the person or persons making the demand a written offer of an

alternative method of achieving the purpose identified in the demand without providing access to or a copy of the membership list. An alternative method that reasonably and in a timely manner accomplishes the proper purpose set forth in a demand made pursuant to Section 7.4.1 of these Bylaws will be deemed reasonable, unless within a reasonable time after acceptance of the offer, the Corporation fails to effect the alternative method. Any rejection of the offer must be in writing and indicate the reasons the alternative proposed by the Corporation does not meet the proper purpose of the demand made pursuant to Section 7.4.1 of these Bylaws.

#### 7.4.3 Privacy Policy; Sensitive Information

In the interests of respecting and protecting the privacy of the Corporation's members, the Board of Directors may resolve to adopt a privacy policy that pertains to the release of identifiable membership information.

#### 7.5 Directors' Inspection Rights

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect any physical assets of the Corporation.

#### 7.6 Corporate Seal

The Board of Directors may, but is not required to, adopt a corporate seal in a form and design that the Board considers appropriate. If a corporate seal is adopted, the Secretary of the Corporation will maintain custody of the seal and affix it in all appropriate cases to all corporate documents. However, failure to affix the seal does not affect the validity of any instrument.

CERTIFICATE OF SECRETARY  
OF  
HUMBOLDT COUNTY GROWERS ALLIANCE  
A California Nonprofit Mutual Benefit Corporation

I certify that I am the duly elected and acting Secretary of Humboldt County Growers Alliance, a California nonprofit mutual benefit corporation; that these Bylaws, consisting of 16 pages, are the Bylaws of this corporation as adopted by the Board of Directors on October 18, 2018; and that these Bylaws have not been amended or modified since that date.

\_\_\_\_\_  
Scott Vasterling, Secretary

Executed on \_\_\_\_\_, in Eureka, California.