

BYLAWS

of the

CALABASAS EDUCATION FUND A California Nonprofit Public Benefit Corporation (as amended on September 21, 2005)

ARTICLE I

OFFICES; MEMBERS

SECTION 1. Principal Executive Office. The principal executive office of the corporation is hereby fixed and located at 26135 Mureau Road, Calabasas, California 91302. The Board of Directors (herein called the "Board") is hereby granted full power and authority to change said principal executive office from one location to another. Any such change shall be noted as an amendment to this Section of these Bylaws.

SECTION 2. Other Offices. Branch or subordinate offices may at any time be established by the Board at any place or places.

SECTION 3. Members. The corporation has no members.

ARTICLE II

DIRECTORS

SECTION 1. Powers. Subject to the provisions of the Articles, of these Bylaws, and of the California Nonprofit Public Benefit Corporation Law (California Corporations Code Section 5110 et seq.), ("NFP Corporation Law") 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. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated by these Bylaws:

(a) To select and remove all of the officers, agents, and employees of the corporation, prescribe the powers and duties for them as may not be inconsistent with law, or with the Articles or these Bylaws, fix their compensation, and require from them security for faithful service.

(b) To conduct, manage, and control the affairs and business of the corporation and to make such rules and regulations therefor not inconsistent with law, or with the Articles or these Bylaws, as the Board may deem best.

SECTION 2. Number of Directors. The number of Directors shall be equal to the number of members of the City Council of the City of Calabasas.

SECTION 3. Selection of Directors and Term of Office:

(a) The Directors of the Corporation shall be the members of the City Council of the City of Calabasas.

It is the intent of the City Council, acting as Incorporator of the Calabasas Education Fund, and this Board, that a position as Director not be an office with respect to the application of the common law doctrine of "incompatible offices" and that service as a Director not be incompatible with service on the City Council. Should a court of competent jurisdiction conclude otherwise, the position of Board member shall be terminated without impairing that person's service as a City Councilmember. and the City Council shall appoint other persons to serve as the Directors of the Corporation.

(b) When a the term of a Director as a member of the City Council of the City of Calabasas ends, or when such Director resigns his or her seat on the City Council or otherwise ceases to hold such seat, his or her position as a Director shall automatically terminate.

The Mayor of the City of Calabasas shall be the Chairperson. The Chairperson shall preside at all meetings of the Board and exercise and perform such other powers and duties as may be from time to time assigned by the Board.

The Mayor Pro Tem of the City of Calabasas shall be the Vice Chairperson. The Vice Chairperson shall preside at all meetings of the Board in the absence of the Chairperson and exercise and perform such other powers and duties as may be from time to time assigned by the Board.

(e) Each Director shall have one (1) vote for the transaction of the Corporation's business.

(f) Not more than forty-nine percent (49%) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person being compensated by the corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise; and (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. However, any violation of the provisions of this subsection (i) shall not affect the validity or enforceability of any transaction entered into by the corporation.

SECTION 4. Resignations; Removal; Vacancies. Any Director may resign effective upon written notice to the Chairperson or the Secretary, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor Interim Director may be selected pursuant to this Section to take office when the resignation becomes effective. No Director may resign if the corporation would then be left without a Director or Directors in charge of its affairs.

Where a vacancy occurs on the Board by reason of the resignation of a Director or a vacancy on the City Council of the City of Calabasas, the vacancy may be filled by the appointment of an "Interim Director" by the City Council. Except as otherwise provided in this paragraph, an Interim Director shall have all of the authority and responsibilities of a Director of the Corporation pursuant to these Bylaws, and each reference to a "Director" in these Bylaws is also deemed to be a reference to an "Interim Director." However, an Interim Director's term of office shall end when the seat on the City Council that caused the vacancy on the Board to occur is filled by a new City Council member. Any "Interim Director" may be removed by the City Council of the City of Calabasas.

No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of the Director's term of office.

SECTION 5. Place of Meeting. Regular or special meetings of the Board shall be held at any place within the City of Calabasas. Whenever a place other than the principal office is fixed by the Board as the place at which future meetings are to be held, written notice thereof shall be sent not less than five (5) days before the next regular meeting to all Directors who were absent from the previous meeting at which said place was fixed. In the absence of such designation regular meetings shall be held at the principal executive office of the corporation.

SECTION 6. Quarterly Regular Meetings. The meetings of the Board shall be held quarterly on the first Wednesday of each August, November, February and May of each fiscal year, at 7:00 p.m. local time, or such other date or such other time as may be fixed by the Board; provided, however, that should said day fall upon a legal holiday observed by the corporation at its principal executive office, then any such annual regular meeting of the Board shall be held at the same time and place on the next day following thereafter which is a full business day. Such

regular meetings shall be held for the purpose of organization, election of officers and Directors, and the transaction of their business.

SECTION 7. Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by the Chairperson, the Executive Officer, or by three Directors.

Special meetings of the Board shall be held upon twenty-four (24) hours' notice given personally or by telephone, telegraph, telex, or other similar means of communication. Any such notice shall be addressed or delivered to each Director at such Director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the Director for purposes of notice, or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the Directors are regularly held.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office or home of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient.

The notice shall state the time and place for the meeting.

SECTION 8. Ralph M. Brown Act. In addition to the notice requirements to Directors set forth in Sections 5 through 7 above, all meetings of the Board, including without limitation, regular, special and adjourned meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the California Government Code).

SECTION 9. Quorum/Board Action. A majority of the Directors constituting the Board shall constitute a quorum of the Board for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number is required by the Articles or the NFP Corporation Law.

SECTION 10. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place is fixed at the meeting adjourned, unless the meeting is adjourned for more than twenty four (24) hours, in such case notice shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

SECTION 11. Fees and Compensation. Directors and members of committees may not receive any compensation for their services as such, but may receive such reimbursement for expenses incurred on behalf of the Corporation as may be fixed or determined by the Board to be just and reasonable.

SECTION 12. Rights of Inspection. Every Director shall have the right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation. Such inspection by a Director may be made in person or by agent or attorney. Without the consent of the Board, no corporate books, records, or documents shall be used by any Director for any purpose not reasonably related to the person's interest as a Director. Without limiting the generality of the foregoing, consent of the Board shall be required to use corporate books, records, or documents in order to:

(a) Solicit money or property unless such money or property will be used solely to solicit the vote of the Directors in a vote to be held by the Corporation.

(b) Carry out any purpose which the user does not reasonably and in good faith believe will benefit the Corporation.

(c) Carry out any commercial purpose or purposes in competition with the Corporation.

(d) Sell or purchase the corporate books, records or documents.

SECTION 13. Committees. The Board may create one (1) or more committees, each consisting of two (2) or more Directors, to serve at the pleasure of the Board, and delegate to such committees any of the authority of the Board except with respect to:

(a) The approval of any action for which the NFP Corporation Law also requires Board approval;

(b) The filling of vacancies on the Board or on any committee which has the authority of the Board;

(c) The amendment or repeal of Bylaws or the adoption of new Bylaws;

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

(e) The appointment of committees of the Board or the members thereof;

(f) With respect to any assets held in charitable trust, approve any contract or transaction between the Corporation and one (1) or more of its Directors or between the Corporation and an entity in which one (1) or more of its Directors have a material financial interest, subject to the special approval provisions of Section 5233(d)(3) of the NFP Corporation Law. Nothing in this provision shall authorize an action contrary to the requirements of Government Code Section 1090 et seq, the Political Reform Act of 1974, or any other conflict of interest law.

Any such committee must be appointed by resolution adopted by a majority of the Directors then in office and may be designated an Executive Committee or by such other name as the Board shall specify. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of the Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

None of the foregoing provisions of this Section shall apply to any advisory committee which does not exercise the authority of the Board.

ARTICLE III

OFFICERS

SECTION 1. Officers. Officers of the corporation shall be a Chairperson of the Board (who shall be referred to as a Chairperson), a Vice Chairperson, a President (who shall be referred to as an Executive Officer), a Secretary, and a Chief Financial Officer, as well as such other Officers who may be designated by the Board in accordance with Section 3 of this Article. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as either Executive Officer or Chairperson.

SECTION 2. Selection of Officers. The Chairperson and Vice Chairperson shall be selected by the Board pursuant to Section 3 of Article II of these Bylaws.

All other officers of the Corporation, except such officers as may be elected or appointed in accordance with the provisions of Section 3 or Section 5 of this Article, may be appointed by the Board.

All officers shall serve at the pleasure of the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be selected.

SECTION 3. Subordinate Officers. The Board may elect, and may empower the Executive Officer to appoint, such other subordinate officers, including deputy secretaries, as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board may from time to time determine.

SECTION 4. Removal and Resignation. Any officer may be removed, either with or without cause, by the Board at any time. Except for officers chosen by the Board, the Board may also confer upon the Executive Officer the power to remove any other officer. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment of the officer.

Any officer may resign at any time by giving written notice to the Corporation, but without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at a later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

SECTION 5. Vacancies. A vacancy in any office because of death, resignation, removal by the appointing authority, disqualification, or any other cause may be filled at any time by the appointing authority for that office established by these bylaws or other applicable law. An officer so elected shall hold office for the remaining term of office of the person who such officer succeeded.

SECTION 6. Executive Officer. The Executive Officer is the general manager and chief executive officer of the Corporation and has, subject to the control of the Board, general supervision, direction, and control of the business and officers of the Corporation. The Executive Officer has the general powers and duties of management usually vested in the office of executive officer and general manager of a Corporation and such other powers and duties as may be prescribed by the Board. Unless the Board chooses to appoint some other person to be Executive Officer, the Executive Officer shall be the City Manager of the City of Calabasas.

SECTION 7. Secretary. The Secretary shall keep or cause to be kept, at the principal executive office and such other place as the Board may order, a book of minutes of all meetings and actions of the Board, and its committees, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, and names of those present at Board and committee meetings, and proceedings thereof. Unless the Board chooses to appoint some other person to be Secretary, the Secretary shall be the Assistant City Clerk of the City of Calabasas.

The Secretary or person designated thereby shall give, or cause to be given, notice of all the meetings of the Board and of any committees thereof required to be given by these Bylaws, the Ralph M. Brown Act, and any other applicable law. In addition, the Secretary shall keep the seal of the Corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

SECTION 8. Chief Financial Officer. The Chief Financial Officer 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 the corporation. Unless the Board chooses to appoint some other person to be Chief Financial Officer, the Chief Financial Officer shall be the Chief Financial Officer of the City of Calabasas.

The Chief Financial Officer shall cause all moneys and other valuables to be deposited in the name and to the credit of the Corporation with such depositories as may be designated by the Board. The Chief Financial Officer shall disburse the

funds of the Corporation as may be ordered by the Board, shall render to the Chairperson and Directors, whenever they request it, an account of all transactions as Chief Financial Officer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board.

If required by the Board, the Chief Financial Officer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of such office and for restoration to the Corporation of all its books, papers, vouchers, money and other property of every kind in such officer's possession or under such officer's control on such officer's death, resignation, retirement or removal from office.

ARTICLE IV

OTHER PROVISIONS

SECTION 1. Inspection of Bylaws. The Corporation shall keep in its principal executive office in California the original or a copy of the Articles and these Bylaws, and any amendments thereto, which shall be open to inspection by Directors at all reasonable times during regular business hours.

SECTION 2. Maintenance of Other Corporate Records. The accounting books, records and minutes of proceedings of the Board and any committee(s) of the Board shall be kept at such place or places designated by the Board; or, in the absence of such designation, at the principal executive office of the Corporation.

SECTION 3. Endorsement of Documents; Contracts. Unless so authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Notwithstanding the above and subject to the provisions of applicable law, any note, mortgage, evidence or indebtedness, contract, share certificate, conveyance, or other instrument in writing executed between this Corporation and any other person, when signed by the Chairman of the Board, the President or the Vice-President, and attested to by the Secretary, any Assistant Secretary, the Chief Financial Officer, the Treasurer or any Assistant Treasurer of this corporation, shall be deemed valid and binding on this Corporation in the absence of actual knowledge on the part of the other party to such written instrument that the signing officers did not have the authority to execute the same.

SECTION 4. Representation of Shares of Other Corporations. The President or any other officers elected or appointed by the Board or the President may be authorized by the Board to vote, represent and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation.

SECTION 5. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the NFP Corporation Law and the NFP Corporation Law shall govern the construction of these Bylaws.

SECTION 6. Annual Report.

(a) The Corporation shall provide to the Directors within one hundred twenty (120) days following the close of each fiscal year, a report containing the following information in reasonable detail:

(1) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.

(2) The principal change in assets and liabilities, including trust funds, during the fiscal year.

(3) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the fiscal year.

(4) The expenses or disbursements of the Corporation for both general and restricted purposes, during the fiscal year.

(5) Any information required by subsection (c) of this Section.

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

(1) The Corporation shall furnish annually to the Directors a statement of any transaction or indemnification of a kind described in paragraphs (4) or (5) of this subsection (c), if any such transaction or indemnification took place. This subsection shall be satisfied by including

the required information in the annual report.

(2) Except as provided in paragraph (3) of this subsection (c), a "covered transaction" under this subsection (c) is a transaction in which the Corporation, its parent, or its subsidiary was a party, and in which any Director or officer of the Corporation, or its parent or subsidiary had a direct or indirect material financial interest.

For the purposes of paragraph (4) of this subsection (c), an "interested person" is any person described in this subsection (c)(2).

(3) For the purpose of paragraph (2) of this subsection (c), a mere common directorship is not a material financial interest.

(4) The statement required by paragraph (1) of this subsection (c) shall describe briefly:

(A) Any covered transaction as defined in paragraph (2) of this subsection (c) above during the previous fiscal year involving more than fifty thousand dollars (\$50,000), or which was one of a number of covered transactions in which the same interested person had a direct or indirect material financial interest, and which covered transactions in the aggregate involved more than fifty thousand dollars (\$50,000).

(B) The names of the interested persons involved in such covered transactions, stating such person's relationship to the Corporation, the nature of such person's interest in the covered transaction and, where practicable, the amount of such interest; provided, that in the cases of a covered transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

(5) The statement required by paragraph (1) of this subsection (c) shall describe briefly the amount and circumstances of any indemnification or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year to any officer or Director pursuant to Article V of these Bylaws; provided that no such report need be made in the case of indemnification approved by the Directors under Section 5238(e)(2) of the NFP Corporation Law.

(d) If a report sent to the Attorney General in compliance with Section 12580 et seq. of the California Government Code includes the information required in the annual report described in subsection (a) of this Section, then the Corporation may furnish a copy of its report to the

Attorney General in lieu of the annual report, whenever it is required to furnish an annual report.

ARTICLE V

INDEMNIFICATION

SECTION 1. Indemnification. The Corporation shall have the power to indemnify its "agent," as defined in Section 5238 of the NFP Corporation Law, to the fullest extent permitted by applicable law.

SECTION 2. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Corporation would have the power to indemnify the agent against such liability under the provisions of this Article.

ARTICLE VI

AMENDMENT

These Bylaws may be amended or repealed by the approval of a majority of the Directors then in office.