

**BYLAWS  
OF  
NAPA COUNTY FAIR ASSOCIATION  
(A California Nonprofit Public Benefit Corporation)**

**ARTICLE 1  
NAME**

The name of the corporation is the Napa County Fair Association, a California Nonprofit Public Benefit Corporation (the “Association” or “Corporation”).

**ARTICLE 2  
PURPOSES**

This corporation has been formed for charitable purposes to act as the County of Napa's agent for the purposes of conducting the Napa County Fair and managing the County of Napa's fairground property for public purposes as stated in greater detail in Article II of this corporation's Articles of Incorporation.

In addition, this corporation is formed for the purposes of performing all things incidental to, or appropriate in, the achievement of the foregoing specific and primary purposes.

This corporation shall hold and may exercise all such powers as may be conferred upon a nonprofit corporation by the laws of the State of California and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the corporation. In no event shall the corporation engage in activities which are not permitted to be carried on by a corporation exempt under Section 501(c)(3) of the Internal Revenue Code.

**ARTICLE 3  
PRINCIPAL OFFICE;  
NOTICE AND CONDUCT OF MEETINGS**

3.1 The initial principal office of the corporation shall be located on the County of Napa's fairgrounds in the City of Calistoga, County of Napa, State of California. The Association's Board of Directors (the “Board”) may at any time, or from time to time, change the location of the principal office from one location to another within said county.

3.2 Notice and conduct of all regular and special meetings shall be in accordance with the provisions of the Ralph M. Brown Act (“Brown Act”) (Government Code §§ 54950, *et seq.*). In

the event of any conflict between the provisions of these Bylaws and the Brown Act, the Brown Act shall govern.

## **ARTICLE 4**

### **NONPARTISAN ACTIVITIES**

This corporation has been formed under the California Nonprofit Public Benefit Corporation Law (the "Law") for the charitable purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation. The corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

## **ARTICLE 5**

### **DEDICATION OF ASSETS**

The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, Director or officer of this corporation. On liquidation or dissolution, all remaining properties and assets of the corporation shall be distributed and paid over to an organization dedicated to charitable purposes which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

## **ARTICLE 6**

### **MEMBERSHIP**

6.1 Memberships. This corporation shall have two classes of members. A person, either a natural person or a business entity, dedicated to the purposes of the corporation and who is a resident of Napa County or an area serviced by a Napa County postal code shall be eligible to become a Voting Member of the Association on approval of the membership application by the Board and on timely payment of such dues and fees as the Board may fix from time to time. Those persons residing outside the boundary set forth above who are dedicated to the purposes of the corporation shall be eligible to become a Non-Voting Member of the Association on approval of the membership application by the Board and on timely payment of such dues and fees as the Board may fix from time to time.

6.2. Membership Rights. All Voting Members in good standing shall have the right to vote, as set forth in these bylaws, on the election of the Elected Directors. Good standing includes payment of dues for the year in which any election shall be held. The Board may provide other

benefits of membership from time to time. The corporation may refer to Non-Voting Members as “members,” even though those persons or entities are not Voting Members as set forth in this section of these bylaws, but no such reference shall constitute anyone as a member within the meaning of California Corporations Code §5056. References in these bylaws to “members” shall mean the Voting Members. By amendment of its Articles of Incorporation or of these bylaws, the corporation may grant some or all of the rights or benefits of a member of any class to any person or entity that does not have the right to vote on the election of the Elected Directors, but no such person or entity shall be a member within the meaning of Corporations Code §5056.

6.3. **Members’ Dues, Fees, and Assessments.** Each member must pay, within the time and on the conditions set by the Board, the dues, fees, and assessments in amounts to be fixed from time to time by the Board. The dues, fees, and assessments shall be equal for all members of a class of membership, but the Board may, in its discretion, set different dues, fees, and assessments for the different classes.

6.4. **Annual Membership Meeting.** An annual meeting of members shall be held on the second Thursday of January of each year at 7:00 pm, unless the Board fixes another date or time and so notifies members as provided in Section 6.7. At the meeting, the election of Directors shall be confirmed and other proper business may be transacted. In the absence of any other designation, the annual meeting will be held at the Association’s principal office.

6.5. **Special Membership Meetings.** The Board, or the chair of the Board, may call a special meeting of the members for any lawful purpose at any time by giving notice as required in these bylaws.

6.6. **Quorum.** At all meetings of the membership of the Association, a quorum shall consist of 11 members and the majority vote of those in attendance, if there is a quorum, shall constitute the vote of the membership.

6.7 **General Notice Requirements.** Notice and conduct of annual and special meetings of members shall be provided in accordance with the Brown Act. Whenever members are required or permitted to take any action at a meeting, whether the annual or special meeting, or there is an election of Elected Directors, written notice of the meeting shall be given to each member entitled to vote at that meeting as provided in these bylaws. Meeting notices shall specify the place, date, and hour of the meeting, and shall contain a brief general description of each item to be discussed or transacted at the meeting. The notice of any meeting at which Directors are to be elected shall include the names of all persons who are nominees when notice is given.

6.8. **Manner of Giving Notice to Members.** Notice of any meeting of members shall be in writing and shall be given at least 10 but no more than 21 days before the meeting date. The

notice shall be given either personally, by electronic transmission via email or such other electronic means then in common use, or by first-class, registered, or certified mail, or by other means of written communication normally used in business in general, charges prepaid, and shall be addressed to each member entitled to vote, at the address of that member as it appears on the books of the corporation or at the address given by the member to the corporation for purposes of notice. The notice requirements as required for in this Section 6.8 shall be in addition to, and not in lieu of, any and all notice requirements set forth in the Brown Act.

6.9. Termination of Membership. A membership shall terminate on occurrence of any of the following events:

- (a) Resignation of the member;
- (b) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or
- (c) Termination of membership under Section 6.10 of these bylaws based on the good faith determination by the Board, or 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 the member's failure to pay dues, fees, or assessments as set by the Board.

6.10. Procedure for Terminating Membership. If grounds appear to exist for terminating a member under Sections 6.10(c) of these bylaws, the following procedure shall be followed:

- (a) The Board shall give the member at least 15 days' prior notice of, and the reasons for, the proposed termination. Notice shall be given by any method set forth in Section 6.8.
- (b) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination. If the basis for the termination is the member's failure to pay dues, fees, or assessments pursuant to Section 6.9(c), above, the member may avoid termination by paying all such amounts that are due including any late payment penalties set by Board at least 3 business days before the hearing at the office of the Association. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the suspension or termination should occur.
- (c) The Board, committee, or person shall decide whether the member should be suspended, expelled, or sanctioned in any way. The decision of the Board, committee, or person shall be final.

- (d) Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice must be commenced within one year after the date of the expulsion, suspension, or termination.

6.11. Transfer of Memberships. No membership or right arising from membership shall be transferred. All membership rights cease on the member's death or dissolution.

## **ARTICLE 7**

### **BOARD OF DIRECTORS**

7.1. Powers. Subject to the provisions and limitations of any applicable law, all corporate powers shall be exercised, by or under the direction of the Association's Board of Directors ("the Board"). The Board may delegate the management of the day-to-day operation of the business of the corporation to a Chief Executive Officer (the "CEO") or other person, who shall serve at the pleasure of the Board except as modified by contract, and provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

7.2. Number. The Board shall consist of at least nine (9) but no more than fifteen (15) Directors unless changed by amendment to these bylaws. The Initial Board following the adoption of these bylaws shall consist of six (6) Elected Directors and three (3) Appointed Directors (as those terms are defined in Section 7.3 and 7.4 below). The individual members and their individual terms as they were immediately before the adoption of these bylaws shall remain the same upon the adoption of these bylaws and that shall be the Initial Board. The Board shall strive to achieve a Board that reflects the diversity required by section 7.7 of these bylaws. In doing so, the Board will consult with the various governmental units in Napa County as well as various business and civic groups to ensure that there is a fair representation of that diversity on the board. In this regard and to achieve this goal, the Board is authorized to reduce the number of Elected Directors' positions to three (3) positions and replace those positions so reduced with positions for Directors who represent the diversity required by these bylaws. Given that the Napa County Fairgrounds and related facilities are located within the city limits of Calistoga, the Associations' operations has a much greater impact on the citizens of Calistoga than on other citizens of Napa County and are greater resources to the Calistoga citizens, businesses, and City government. For these reasons, a disproportionate number of Directors should be residents of Calistoga, but not a dominant majority. The members of the Board shall maintain their membership in good standing throughout their term.

7.3. Elected Directors. Elected Directors shall be those Directors who have been elected to the Board by the members of the Association at the annual Association meeting.

**7.4. Appointed Directors.** Appointed Directors shall be those Directors appointed by the Board of Supervisors of Napa County, which shall not be less than three (3) and by any other entity pursuant resolution of the Board.

**7.5. Qualification and Term.** All Directors must be at least 18 years of age and residents of Napa County. All Directors shall serve a term of three years and will be eligible for reelection or reappointment at the expiration of each such term. No Director may serve in excess of three (3) consecutive terms and is not eligible for a position on the Board until after one year following the Director's previous service on the Board. The then current remaining term of the Initial Board upon the adoption of these bylaws will be considered the first term of those Directors. Immediate family members cannot serve concurrently on the Board. All Directors shall maintain an active membership in the Association for, at a minimum, the duration of the period of their respective terms. 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: (a) 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; or (b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

**7.6. Election of Directors.**

- (a) **Nominations.** Any voting member in good standing who has or will have reached the age of 18 by the annual Meeting of the year in which they wish to run may run for election to the Board if, by the first business day of November preceding the Annual meeting, that member submits an application signed by the applicant and five (5) voting members in good standing supporting the nomination to the CEO. The application will be a form prepared by the Association. A Director whose term is expiring may seek re-election to the Board by submitting the application by the first business day of November preceding the Annual meeting without the necessity of obtaining the supporting members signatures. All applicants and signatures on the applications will be verified by the Association staff as qualified.
- (b) **Ballots and Election.** All qualified applicants will be listed on a ballot prepared by Association and an Election shall be held in accordance with the rules set forth from time to time by the Board with all members in good standing having the right to vote for the Elected Director annually if there is more than one qualified applicant for the Elected Director position. An Election will not be necessary in those years when the number of qualified nominee(s) equal the number of Elected Directors to be elected. In such an event the nominee(s) shall be confirmed as the Elected Directors by the Association membership at the annual meeting.
- (c) **Contest.** Any contest of a ballot or the election as a whole must be made to the full Board in writing and signed by a member in good standing within three (3) months of an

election. The matter will be taken up by the Board at its next regularly scheduled meeting and its decision on the matter shall be final and not appealable.

7.7. Diversity. The corporation intends that the Board shall collectively represent a diversity of relevant backgrounds, skills, and geographic areas of the Napa County to enable the Board to make informed, well-balanced decisions on the economic viability and social impact of Napa County Fair and its related activities to all of the citizens of Napa County.

7.8. Vacancies. A vacancy on the Board shall exist on the occurrence of the following:

- (a) the death, resignation, or removal of any Director;
- (b) the declaration by resolution of the Board of a vacancy in the office of a Director who has been declared of unsound mind by a final order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under California Corporations Code Sections 5230-5239 dealing with standards of conduct for a Director, or has missed three (3) consecutive meetings of the Board or a total of four (4) meetings of the Board during any one calendar year;
- (c) an increase in the authorized number of Directors;
- (d) the removal of a Director pursuant to these bylaws; or
- (e) the failure of the Voting Members, at any annual or other meeting of Directors at which any Director or Directors are to be elected, to elect the full authorized number of Directors.

7.9. Resignation. Except as provided in this paragraph, any Director may resign effective upon giving written notice to the chairperson of the Board, the CEO, the secretary, or the Board, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. Unless the California Attorney General is first notified, no Director may resign when the corporation would then be left without a duly elected Director in charge of its affairs.

7.10. Filling Vacancies. Vacancies on the Board may be filled by vote of a majority of the Directors then in office, whether or not the number of Directors then in office is less than a quorum, or by vote of a sole remaining Director. The Director so appointed shall serve until the next annual meeting at which time that position will be filled by an election by the Voting Members or appointed by the entity that appointed the directorship position that became vacant,

however the previous director was selected. That election or appointment shall be for the time remaining on the term of the vacant position. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

7.11. Annual Meetings of the Board. The Board shall hold an annual meeting on the same day and immediately following the annual meeting of the Association each year for the purpose of electing officers of the corporation and for the transaction of other business. Notice of all meetings of the Board shall be given in accordance with these Bylaws and as required under the Brown Act. Other regular meetings shall be held at such times as are fixed by the Board. Meetings may be held at any place designated by resolution of the Board, or, if not designated, at the principal office of the corporation. Special meetings shall be held at any place designated in the notice of the meeting or, if not stated in the notice, at the principal office of the corporation. Notwithstanding the above, any meeting may be held at any public location within the jurisdiction of the Association and consented to in writing by all the Directors, either before or after the meeting. Consents shall be filed with the minutes of the meeting.

7.12. Attendance Not in Person. Any Director may attend a meeting of the Board by teleconference from a public location as permitted by the Brown Act, as long as there is a quorum at the site of the meeting and all applicable notices are properly posted at each location. All such Directors shall be deemed to be present in person at such meeting.

7.13. Notice Required. Regular Meetings of the Board may be scheduled in advance by resolution of the Board. In addition, meetings of the Board for any purpose may be called at any time by the chairperson of the Board, the CEO, the secretary, or any two (2) Directors. Notice of the purpose, date, time, and place of all meetings shall comply with the Brown Act and shall contain a brief general description of each item to be discussed or transacted at the meeting. Notice of meetings shall also be communicated in advance to each Director by personal delivery; by telegraph, express mail service, first-class mail, or by other means of written communication, charges prepaid, addressed to the Director at the Director's address as it is shown upon the records of the corporation; or by telephone (including a voice messaging system which records and communicates messages), facsimile, or electronic mail. For regular meetings, notice must be provided at least seventy-two (72) hours prior to the meeting, and for special meetings, notice must be provided at least twenty-four (24) hours prior to the meeting.

7.14. Action at a Meeting. Presence of a majority of the Directors then in office at a meeting of the Board constitutes a quorum for the transaction of business, except as otherwise provided in these Bylaws. Every act done or decision 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, or the same number after disqualifying one or more Directors from voting, is

required by the Articles of Incorporation, these bylaws, or law. Directors may not vote by proxy. A meeting at which a quorum is initially present, including an adjourned meeting, may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a disinterested majority of the required quorum for such meeting, or such greater number as required by the Articles of Incorporation, these bylaws or law.

**7.15. Adjourned Meeting and Notice.** A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place specified in a notice of adjournment to be posted in a public location. If the meeting is adjourned for a time of more than twenty-four (24) hours following the original meeting time, notice of the time and place of the adjourned meeting shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment in the manner provided for in Section 7.13.

**7.16. Fees and Compensation.** Directors and members of committees may not receive any compensation for their services as such, but may receive reasonable reimbursement of expenses incurred in the performance of their duties as may be fixed or determined by resolution of the Board. Directors may not be compensated for rendering services to this corporation in any capacity other than Director, unless such compensation is reasonable and approved as provided in section 8.5 below.

## **ARTICLE 8:** **STANDARD OF CARE**

**8.1. General.** A Director and an Officer shall perform their duties, including duties as a member of any committee of the Board on which they may serve, in good faith, in a manner such Director believes to be in the best interest of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

**8.2. Reliance.** In performing their duties of a Director or an Officer, each shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) One or more officers or employees of the corporation whom they believe to be reliable and competent in the matters presented;
- (b) Counsel, independent accountants or other persons as to matters which they believe to be within such person's professional or expert competence; or
- (c) A committee of the Board upon which they do not serve, as to matters within its designated authority, which committee they believe to merit confidence, so long as in any

such case, the Director or Officer acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

**8.3. No Liability.** A person who performs the duties of a Director or Officer in accordance with the above and who complies with the conflict of interest rules set forth herein shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a Director or Officer, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the corporation, or assets held by it, are dedicated.

**8.4. Loans.** This corporation shall not make any loan of money or property to, or guarantee the obligation of, any Director or Officer, unless approved in advance by the California Attorney General; provided, however, that this corporation may advance money to a Director or Officer of this corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such Officer or Director so long as such individual would be entitled to be reimbursed for such expenses absent that advance. Any Officer or Director who receives such an advance shall, as soon as practicable, provide such evidence of the expenses as required by the corporation.

**8.5. Contracts or Transactions with Directors or Officers.** No Director or principal officer nor any other corporation, firm, association, or other entity in which one or more of this corporation's directors or officers are directors or officers or have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this corporation unless (1) the material facts regarding that financial interest of the director or officer in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the board prior to the board's consideration of such contract or transaction; (2) 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 votes of the interested directors; (3) before authorizing or approving the transaction, the board considers and in good faith decides after reasonable investigation that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (4) the corporation for its own benefit enters into the transaction, which is fair and reasonable to the corporation at the time the transaction is entered into.

**8.6. Violations of the Conflict of Interest Policy.** All Directors, Officers, and employees of the Corporation shall adhere to the Corporation's Conflict of Interest Policy. If the Board has reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, it shall inform the interested person of the basis for such belief and afford the

interested person an opportunity to explain the alleged failure to disclose. If, after hearing the interested person's response and after making further investigation as warranted by the circumstances, the Board determines that there is an actual conflict of interest, it shall take appropriate action including the cancellation of any actions taken when the conflict existed, if possible.

8.7 Compensation Review. In any year that the corporation receives or accrues gross revenues of \$2 million or more (exclusive of grants from, and contracts for services with, governmental entities for which the governmental entity requires an accounting of the funds received) or such other amount as required by law, the Board shall review the Chief Executive Officer's compensation for fairness. The Board shall review the fairness of compensation, including benefits, paid to the CEO upon the occurrence of the following events:

- (a) The officer is hired;
- (b) The officer's term of employment is extended or renewed; or
- (c) The officer's compensation is modified, unless such modification occurs pursuant to a general modification of compensation that extends to all employees.

8.8. Periodic Reviews. Periodic reviews shall be conducted to ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status. When conducting these periodic reviews, the Corporation may, but need not, use outside advisors. If outside experts are used their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

8.9. Indemnification. To the fullest extent permitted Section 5238(a) of the California Corporations Code, this corporation shall indemnify its agents, as described in that section, including its Directors, officers, employees, and volunteers, and including persons formerly occupying any such position, and their heirs, executors, and administrators, 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 that Section, 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" shall have the same meaning as in that Section. Such right of indemnification shall not be deemed exclusive of any other rights to which such persons may be entitled apart from that section.

8.10. Insurance. The corporation shall have power to purchase and maintain insurance to the fullest extent permitted by law on behalf of any such 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, or to give other indemnification to the extent permitted by law.

## **ARTICLE 9**

### **COMMITTEES**

9.1. Committees of Directors. Notice and conduct of all committee meetings shall be subject to all the provisions and requirements of the Brown Act. Subject to the requirements of the Brown Act, the Board may designate one or more committees to exercise all or a portion of the authority of the Board, to the extent of the powers specifically delegated in the resolution of the Board or in these bylaws. Each such committee shall consist of two (2) or more Directors, and may also include persons who are not on the Board, to serve at the pleasure of the Board. The Chair may serve on any committee appointed by The Board as an ex officio member. The Board may designate one or more alternate members of any committee, who may replace any absent member at any meeting of the committee. The Board may also designate one or more advisory committees that do not have the authority of the Board. However, no committee, regardless of Board resolution, may:

- (a) Approve any action that, under the Law, would also require the affirmative vote of the members.
- (b) Fill vacancies on, or remove the members of, the Board or in any committee that has the authority of the Board.
- (c) Fix compensation of the Directors for serving on the Board or on any committee.
- (d) Amend or repeal the Articles of Incorporation or bylaws or adopt new bylaws.
- (e) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable.
- (f) Appoint any other committees of the Board or their members.
- (g) Approve a plan of merger; consolidation; voluntary dissolution; bankruptcy or reorganization; or for the sale, lease, or exchange of all or substantially all of the property and assets of the corporation otherwise than in the usual and regular course of its business; or revoke any such plan.

No committee shall bind the corporation in a contract or agreement or expend corporate funds, unless authorized to do so by the Board.

9.2. Meetings and Actions of Committees. Meetings and actions of all committees shall be governed by the Brown Act, and held and taken in accordance with, the provisions of these bylaws, concerning meetings and actions of Directors, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes or summaries shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board may adopt rules not inconsistent with the provisions of these bylaws for the government of any committee.

9.3. Executive Committee. The Board may appoint an Executive Committee composed of three (3) or more Directors, one of whom shall be the chairperson of the Board, to serve as the Executive Committee of the Board. The Executive Committee, unless limited in a resolution of the Board, shall have and may exercise all the authority of the Board in the management of the business and affairs of the corporation between meetings of the Board. The secretary of the corporation shall send to each Director minutes of the business conducted at any meeting of the Executive Committee. Notice and conduct of all meetings of the Executive Committee shall be subject to the provisions and requirements of the Brown Act.

9.4. Audit Committee. The Board shall appoint an Audit Committee. The committee may be comprised of one or more persons and may include persons other than Directors of the corporation.

The Audit Committee shall make recommendations to the Board regarding the hiring and termination of an auditor, who shall be an independent certified public accountant, and may be authorized by the Board to negotiate the auditor's salary.

The Audit Committee shall confer with the auditor to satisfy its members that the corporation's financial affairs are in order, and shall review and determine whether to accept the audit.

In the event that the auditor's firm provides non-audit services to the corporation, the Audit Committee shall ensure that the auditor's firm adheres to the standards for auditor independence set forth in the latest revision of the Government Auditing Standards published by the Comptroller General of the United States, or any standards promulgated by the Attorney General of California.

## **ARTICLE 10**

### **OFFICERS**

10.1. Officers. The officers of the corporation shall consist of a chairperson of the Board, vice chairperson, secretary and treasurer), and the CEO who shall not be a member of the Board and such other officers as the Board may designate by resolution. The CEO may act as the secretary. The same person may hold any number of offices, except that neither the secretary nor the treasurer may serve concurrently as the chairperson of the Board. In addition to the duties specified in this Article 10, officers shall perform all other duties customarily incident to their office and such other duties as may be required by law, by the Articles of Incorporation, or by these bylaws, subject to control of the Board, and shall perform such additional duties as the Board shall from time to time assign.

10.2. The officers shall be chosen by the Board at its annual meeting, and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment. Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the chairperson of the Board, or the secretary of the corporation, without prejudice, however, to the rights, if any, of the corporation under any contract to which such officer is a party. Any resignation shall take effect on the date of the receipt of such notice or at any later time specified in the resignation; and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to that office. The compensation, if any, of the officers shall be fixed or determined by resolution of the Board.

10.3. Chairperson of the Board. The chairperson of the Board shall, when present, preside at all meetings of the Board and Executive Committee. The chairperson is authorized to execute in the name of the corporation all contracts and other documents authorized either generally or specifically by the Board to be executed by the corporation.

10.4. Vice Chairperson of the Board. The vice chairperson shall, in the absence of the chairperson, or in the event of his or her inability or refusal to act, perform all the duties of the chairperson, and when so acting shall have all the powers of, and be subject to all the restrictions on, the chairperson.

10.5. Chief Executive Officer. Subject to the control, advice and consent of the Board, the CEO shall, in general, supervise and conduct the day-to-day activities and operations of the corporation, shall keep the Board fully informed and shall freely consult with them concerning

the activities of the corporation, and shall see that all orders and resolutions of the Board are carried into effect. Where appropriate, the Board shall place the CEO under a contract of employment. The CEO shall be empowered to act, speak for, or otherwise represent the corporation between meetings of the Board. The CEO shall be responsible for the hiring and firing of all personnel, and shall be responsible for keeping the Board generally informed at all times of staff performance and related issues. The CEO is authorized to contract, receive, deposit, disburse, and account for funds of the corporation; to execute in the name of the corporation all contracts and other documents authorized either generally or specifically by the Board to be executed by the corporation; and to negotiate all material business transactions of the corporation.

10.6. Secretary. The secretary, or his or her designee, shall be custodian of all records and documents of the corporation which are to be kept at the principal office of the corporation, shall act as secretary of all the meetings of the Board, and shall keep the minutes of all such meetings in books proposed for that purpose. The secretary shall attend to the giving and serving of all notices of the corporation. The same person may act as CEO and Secretary if so designated by the Board.

10.7. Treasurer.

- (a) The treasurer is the chief financial officer of the corporation and is responsible for keeping and maintaining, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its restricted and unrestricted assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements and such other actions as a chief financial officer normally handles.
- (b) The treasurer duties shall include, when applicable, participate in the selection and recommendation of an auditing firm and participate in an audit as appropriate; act as chair of the corporation's finance committee; review and approve the CEO's expenses; and render an annual report of the financial affairs of the corporation.

## **ARTICLE 11**

### **RECORDS AND REPORTS**

11.1. Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal office the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the Directors at all reasonable times during office hours.

11.2. Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns. The corporation shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing.

11.3. Maintenance and Inspection of Other Corporate Records. The corporation shall keep adequate and correct books and records of accounts, and written minutes of the proceedings of the Board and committees of the Board. All such records shall be kept at the principal office of the corporation. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the corporation shall turn over to his or her successor or the chairperson or CEO, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the corporation as have been in the custody of such officer, employee, or agent during his or her term of office.

11.4. Right of Inspection. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

11.5. Preparation of Annual Financial Statements. The corporation shall prepare annual financial statements using generally accepted accounting principles or law or contract as required. Such statements shall be audited by an independent certified public accountant, in conformity with generally accepted accounting standards, under supervision of the Audit Committee established by these bylaws. The corporation shall make these financial statements available to the California Attorney General and members of the public for inspection no later than three (3) months after the close of the fiscal year to which the statements relate.

11.6. Reports. The Board shall cause an annual report to be sent to all Directors, within 120 days after the end of the corporation's fiscal year, containing the following information

- (a) The assets and liabilities, including the trust funds, of this corporation at the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenues or receipts of this corporation, both unrestricted and restricted for particular purposes, for the fiscal year;
- (d) The expenses or disbursements of this corporation for both general and restricted purposes during the fiscal year; and
- (e) The information required by California Corporations Code Section 6322 concerning certain transactions involving more than \$50,000 or indemnifications involving more than \$10,000 with the officers or Directors which took place during the year.

The report shall be accompanied by any pertinent report of independent accountants and the form(s) referred to in Sec 11.5 above.

## **ARTICLE 12** **RULES FOR CONDUCT OF MEETINGS**

All meetings of the members, the Board, and committees shall be conducted in accordance with Roberts Rules of Order, provided that in the event of a conflict, such rules shall be superseded by these Bylaws, any resolution of the Board, and California law.

## **ARTICLE 13** **FISCAL YEAR**

The fiscal year for this corporation shall begin on January 1 and shall end on December 31.

## **ARTICLE 14** **AMENDMENTS AND REVISIONS**

14.1. Amendment and Revision Allowed. These bylaws may be amended or repealed by the vote of a majority of the Directors then in office. Such action is authorized only at a duly called and held meeting of the Board for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefore, is given at least thirty (30) days before the meeting at which the amendment(s) will be acted upon.

**14.2. Adoption of These Bylaws.** These Revised and Restated Bylaws of the Napa County Fair Association, a nonprofit Public Benefit Corporation, is meant to completely replace the Napa County Fair Association By-Laws originally adopted on February 8, 1945 and subsequently amended on a number of times, the last being on October 19, 2011 (the "Original By-Laws"), and shall, upon their adoption by the Board of Directors, automatically and without further action, repeal and replace the Original By-Laws.

## **ARTICLE 15** **CORPORATE SEAL**

The Board may adopt, use, and alter a corporate seal. The seal shall be kept at the principal office of the corporation. Failure to affix the seal to any corporate instrument, however, shall not affect the validity of that instrument.

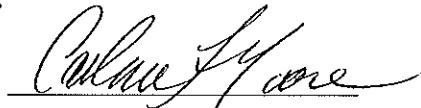
## **ARTICLE 16** **CONSTRUCTION AND DEFINITIONS**

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the California Nonprofit Corporation Law, as amended from time to time, shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a corporation as well as a natural person. If any competent court of law shall deem any portion of these bylaws invalid or inoperative, then so far as is reasonable and possible {i) the remainder of these bylaws shall be considered valid and operative, and {ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

### **CERTIFICATION**

I, the undersigned, certify that I am the currently elected and acting secretary of The NAPA COUNTY FAIR ASSOCIATION, a California Nonprofit Public Benefit Corporation and the above bylaws, consisting of 18 pages, are the bylaws of this corporation as initially adopted by the membership of the Association on the 13<sup>th</sup> day of June, 2013 and the Board of Directors on the 13<sup>th</sup> day of June, 2013, and that they have not been amended or modified since that date.

Executed on June 14, 2013, at Calistoga, California.



\_\_\_\_\_  
Carlene Moore  
Secretary