

BYLAWS OF

PEOPLE FOR LEGAL AND NONSECTARIAN SCHOOLS

A California Nonprofit Public Benefit Corporation

1. NAME

The name of this corporation is PEOPLE FOR LEGAL AND NONSECTARIAN SCHOOLS.

2. OFFICES

The principal office for the transaction of the activities and affairs of the corporation is located at 12562 Rough and Ready Highway, Grass Valley, Nevada County, California. The board of directors (board) may change the principal office from one location to another. Any change of location of the principal office shall be noted by the secretary on these bylaws opposite this Section, or this Section may be amended to state the new location.

The board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

3. PURPOSES

This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for public and charitable purposes. The public purposes include the promotion of fairness in education.

The corporation is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or the corresponding provision of any future United States internal revenue law. Notwithstanding any other provision of these articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or the corresponding provision of any future United States internal revenue law, or (b) by a corporation contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code or the corresponding provision of any future United States internal revenue law.

4. MEMBERS

This corporation shall have no members.

The corporation may refer to persons or entities associated with it as "members" even though such persons or entities are not voting members under the California Corporations Code, but no such reference shall constitute anyone a member of the corporation nor confer upon anyone a right to vote on any corporate matter.

5. DIRECTORS

5.1 POWERS OF DIRECTORS

Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations in the articles of incorporation or these bylaws, the corporation's activities and affairs shall be managed, and all corporate power shall be exercised, by or under the direction of the board.

Without prejudice to the general powers set forth in these bylaws, but subject to the same limitations, the directors shall have the power to:

(a) Appoint and remove at the pleasure of the board all the corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with the law, with the articles of incorporation, and with these bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(b) Change the principal office or the principal business office in California from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country; conduct its activities within or outside California, and designate any place within or outside California for holding any meeting.

(c) Adopt and use a corporate seal and alter the form of the seal.

(d) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

5.2 NUMBER AND QUALIFICATIONS OF DIRECTORS

The board of directors shall consist of at least one (1) but not more than five (5) directors until changed by amendment to these bylaws. The exact number of directors shall be fixed, within those limits, by a resolution adopted by the board of directors.

5.3 RESTRICTION ON INTERESTED PERSONS AS DIRECTORS

No more than 49 percent of the persons serving on the board may be interested persons. An interested person is (a) any person

compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (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 such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

5.4 ELECTION OF DIRECTORS AND TERMS OF OFFICE

Directors shall be elected at the annual meetings of the board; however, if any directors are not elected at any annual meeting, they may be elected at any special meeting of the board held for that purpose or by written ballot. Each director, including a director elected to fill a vacancy or elected at a special meeting or by written ballot, shall hold office until the next annual meeting following the expiration of the term of office for which elected and until a successor has been elected and qualified. Directors may be elected for terms of office up to three (3) years. The term of office shall be designated by resolution of the board adopted at or before the election of the director. If no other term of office has been set by resolution of the board, the term shall be one (1) year.

5.5 VACANCIES ON THE BOARD

A vacancy or vacancies on the board shall exist on the occurrence of the following: (a) the death or resignation 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, or convicted of a felony, or has been found by an order or judgment of any court to have breached a statutory duty of care or a fiduciary duty arising under law, including a duty designated as lawful cause for removal of a director under the California Nonprofit Public Benefit Corporation Law; (c) an increase of the authorized number of directors; or (d) removal of a director by majority vote of the directors then in office. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Vacancies on the board may be filled by a majority of the directors then in office, whether or not less than a quorum, or by the sole remaining director.

5.6 RESIGNATION OF DIRECTORS

Except as provided by law, any director may resign by giving written notice to the chairman of the board, if any, or to the president or the secretary of the board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the board may elect a

successor to take office when the resignation becomes effective. No director may resign if the corporation would be left without a duly elected director without giving notice to the California Attorney General, as required by law.

5.7 MEETINGS OF DIRECTORS

a. PLACE OF MEETINGS

Meetings of the board shall be held at any place within or outside California that has been designated by resolution of the board or in the notice of the meeting or, if not so designated, at the principal office of the corporation.

b. MEETINGS BY TELEPHONE

Any meeting may be held by conference telephone or similar communication equipment, as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person at such a meeting.

c. ANNUAL MEETING

The board shall hold a regular annual meeting for purposes of organization, election of officers, and the transaction of other business. Notice of this meeting is not required.

d. OTHER REGULAR MEETINGS

Other regular meetings of the board may be held without notice at such time and place as the board may fix from time to time.

e. SPECIAL MEETINGS

(1) AUTHORITY TO CALL

Special meetings of the board for any purpose may be called at any time by the chairman of the board, if any, the president, or vice president, or secretary, or any two directors.

(2) NOTICE

(a) MANNER OF GIVING NOTICE

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

organizations to obtain nonprofit mailing permits from the United States Postal Service and, in their discretion, to file all necessary applications for the permits.

15. Limits on Lobbying and Legislative Activities

The board reviewed the provision in its articles of incorporation which states that "No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate or intervene in any political campaign (including publishing or distributing statements) on behalf of or in opposition to any candidate for public office." On motion duly made, seconded and adopted, the board instructed and directed the officers each to comply with this provision, and the board authorized the president and officers of the corporation, in their discretion, to research the restrictions and requirements established by law for lobbying and legislative activities by the corporation, including, but not limited to, Section 501(h) of the Internal Revenue Code and state laws regarding registration of lobbyists, and in their discretion to file all necessary applications to engage lawfully in such activities, to pay appropriate filing fees, and, also in their discretion, to seek the assistance or advice of legal counsel and to pay reasonable fees therefor.

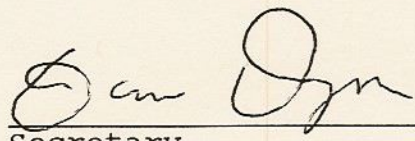
16. Incorporation Expenses

On motion duly made, seconded and adopted, the board resolved that the officers of the corporation are each authorized and directed to pay the expenses of the incorporation and organization of this corporation, and to reimburse any funds advanced, on behalf of the corporation.

17. Adjournment

The board concluded its business and, on motion duly made, seconded and adopted, the meeting was adjourned.

Dated: 5/14/97


Secretary

i. NOTICE OF ADJOURNED MEETING

Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

5.8 ACTION WITHOUT A MEETING

Any action that the board is required or permitted to take may be taken without a meeting if all members of the board consent in writing to that action. Such action by written consent shall have the same force and effect as any other validly approved action of the board. All such consents shall be filed with the minutes of the proceedings of the board.

5.9 COMPENSATION AND REIMBURSEMENT

Directors may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by board resolution to be just and reasonable as to the corporation at the time the resolution is adopted.

5.10 COMMITTEES OF THE BOARD

a. POWERS OF BOARD COMMITTEES

The board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees, each consisting of two or more directors and no persons who are not directors, to serve at the pleasure of the board. Appointments to committees of the board shall be by majority vote of the directors then in office. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the board resolution, shall have all the authority of the board except that no committee, regardless of board resolution, may:

(a) Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of members or approval of a majority of all members;

(b) Fill vacancies on the board or on 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 bylaws or adopt new bylaws;

(e) Amend or repeal any board resolution that by its express terms is not so amendable or repealable;

(f) Create any other committees of the board or appoint the members of committees of the board;

(g) Expend corporate funds to support a nominee for director after more people have been nominated for director than can be elected; or

(h) Approve any contract or transaction between the corporation and one or more of its directors or between the corporation and an entity in which one or more of its directors have a material financial interest, subject to the special approval provisions of Section 5233(d)(3) of the California Corporations Code.

b. MEETINGS AND ACTIONS OF COMMITTEES

Meetings and actions of committees of the board shall be governed by, held, and taken in accordance with, the provisions of these bylaws concerning meetings and other board actions except that the time for regular meetings of such committees and calling of special meetings of such committees may be determined either by board resolution, or if there is none, by resolution of the committee. Minutes of each meeting of any committee of the board shall be kept and shall be filed with the corporate records. The board may adopt rules for the government of any committee that are consistent with these bylaws or, in the absence of rules adopted by the board, the committee may adopt such rules.

c. PARTICULAR BOARD AND ADVISORY COMMITTEES

The board may appoint advisory committees having non-director members and may delegate to such advisory committees any responsibilities permitted by law.

6. OFFICERS

6.1 OFFICERS OF THE CORPORATION

The officers of the corporation shall be a president, a secretary, and a chief financial officer. The corporation may also have, at the board's discretion, a chairman of the board, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with these bylaws. 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 the president or the chairman of the board.

6.2 ELECTION OF OFFICERS

The officers of the corporation shall be chosen by the board, or by the delegated authority of the board under these bylaws, and shall serve at the pleasure of the board, subject to the rights, if any, of any officer under any contract of employment.

6.3 OTHER OFFICERS

The board may appoint and may authorize the chairman of the board, the president, or other officer to appoint any other officers that the corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the bylaws or determined by the board.

6.4 REMOVAL OF OFFICERS

Without prejudice to any rights of an officer under any contract of employment, an officer may be removed with or without cause by the board, and also, if the officer was not chosen by the board, by any officer on whom the board may confer that power of removal.

6.5 RESIGNATION OF OFFICERS

Any officer may resign at any time by given written notice to the corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

6.6 VACANCIES IN OFFICE

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, provided, however, that vacancies need not be filled on an annual basis.

6.7 RESPONSIBILITIES OF OFFICERS

a. CHAIRMAN OF THE BOARD

If a chairman of the board is elected, he or she shall preside at board meetings and shall exercise and perform such other powers and duties as the board may assign from time to time. If there is no president, the chairman of the board shall also be the chief executive officer and shall have the powers and duties prescribed by these bylaws for the president of the corporation.

b. PRESIDENT

Subject to such supervisory powers as the board may give to the chairman of the board, if any, and subject to the control of the board, the president shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. In the absence of the chairman of the board, or if there is none, the president shall

preside at all board meetings. The president shall have such other powers and duties as the board or the bylaws may prescribe.

c. VICE PRESIDENTS

If the president is absent or disabled, the vice presidents, if any, in order of their rank as fixed by the board or, if not ranked, a vice president designated by the board, shall perform all duties of the president. When so acting, a vice president shall have all powers of and be subject to all restrictions on the president. The vice president shall have such other powers and duties as the board or the bylaws may prescribe.

d. SECRETARY

(1) BOOK OF MINUTES

The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings, and actions of the board and of committees of the board. The minutes of meetings shall include the time and place of holding, whether the meeting was annual, regular, or special and, if special, how authorized, the notice given and the names of those present at board and committee meetings. The secretary shall keep or cause to be kept, at the principal office in California, a copy of the articles of incorporation and bylaws, as amended to date.

(2) NOTICES, SEAL AND OTHER DUTIES

The secretary shall give, or cause to be given, notice of all meetings of the board and of committees of the board required by these bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

e. CHIEF FINANCIAL OFFICER

(1) BOOKS OF ACCOUNT

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The chief financial officer shall send or cause to be given to the directors such financial statements and reports as are required by law, by these bylaws, or by the board to be given. The books of account shall be open to inspection by any director at all reasonable times.

(2) DEPOSITS AND DISBURSEMENTS

The chief financial officer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate, shall disburse the corporation's funds as the board may

order, shall render to the president, chairman of the board, if any, and the board, when requested, 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 the board or the bylaws may prescribe.

f. BOND

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 the office and for restoration to the corporation of all its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the chief financial officer on his or her death, resignation, retirement, or removal from office.

7. INDEMNIFICATION

7.1 RIGHT OF INDEMNITY

To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, 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," as used in this bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

7.2 APPROVAL OF INDEMNITY

On written request to the board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(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 remaining directors who are not parties to that proceeding are designated a committee of the board, pursuant to these bylaws, to authorize indemnification.

7.3 ADVANCEMENT OF EXPENSES

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 these bylaws in defending any proceeding covered by these bylaws 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 determined that the person is entitled to be indemnified by the corporation for those expenses.

8. INSURANCE

The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such.

9. RECORDS AND REPORTS

9.1 MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep:

- (a) Adequate and correct books and records of account;
- (b) Written minutes of the proceedings of its board and committees of the board.

9.2 MAINTENANCE AND INSPECTION OF ARTICLES AND BYLAWS

The corporation shall keep at its principal office, or, if its principal office is not in California, at its principal business office in this state, the original or a copy of the articles of incorporation and bylaws, as amended to date, which shall be open to inspection by authorized persons at all reasonable times during office hours. If the principal office of the corporation is outside California and the corporation has no principal business office in this state, the secretary shall, on the written request of any authorized person, furnish to that person a copy of the articles of incorporation and bylaws as amended to date.

9.3 INSPECTION BY DIRECTORS

Every director shall have the absolute right at any reasonable time to inspect the books, records, documents of every kind and physical properties of the corporation and of each of its subsidiaries. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents. These rights are subordinate to any laws protecting confidential, private, privileged or other records or documents against inspection or copying.

9.4 ANNUAL REPORT

The board shall cause an annual report to be prepared and sent to the directors within 120 days after the end of the corporation's

fiscal year. That report shall contain the following information, in appropriate detail, for the fiscal year:

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

(b) The principal changes in assets and liabilities, including trust funds.

(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes.

(d) The expenses or disbursements of the corporation for both general and restricted purposes.

(e) Any information required by the section of these bylaws relating to Annual Statements of Certain Transactions and Indemnifications.

The annual report shall be accompanied by any report of the corporation's independent accountants, or, if there is no report, by the certificate of an authorized officer of the corporation that they were prepared without audit from the books and records of the corporation.

The requirement of an annual report shall not apply if the corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified for inclusion in an annual report must be furnished annually to all directors.

9.5 ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS

As part of the annual report or as a separate document if no annual report is issued, the corporation shall annually prepare and furnish to each director, within 120 days after the end of the corporation's fiscal year, a statement of any transaction or indemnification of the following kinds :

(a) Any transaction to which the corporation, its parent, or its subsidiary was a party, in which an "interested person" had a direct or indirect material financial interest, and which involved more than \$50,000, or was one of a number of such transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is either of the following:

(1) Any director or officer of the corporation, its parent, or its subsidiary (but a mere common directorship shall not be considered such an interest); or,

(2) Any holder of more than 10 percent of the voting power of the corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the

names of interested persons involved, their relationship to the corporation, the nature of their interest in the transaction, and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation under the indemnification provisions of these bylaws.

10. CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural and the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

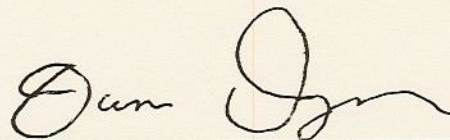
11. AMENDMENTS

The board may adopt, amend or repeal bylaws.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of PEOPLE FOR LEGAL AND NONSECTARIAN SCHOOLS, a California Nonprofit Public Benefit Corporation, and that the above bylaws are the current bylaws of this corporation as adopted by the board of directors.

Executed this 14 day of May, 1997, at Grass Valley, California.


Secretary