

**BYLAWS
OF
KLAMATH RIVER RENEWAL CORPORATION**

**ARTICLE I
NAME, PURPOSE AND PRINCIPAL OFFICE**

Section 1.1. Name. The name of the Corporation shall be: KLAMATH RIVER RENEWAL CORPORATION (the “Corporation”).

Section 1.2. Purposes. The charitable purposes of the Corporation shall be as set forth in its Articles of Incorporation, related to the implementation of the Klamath Hydroelectric Settlement Agreement, as amended (hereafter, “KHSA”).

Section 1.3. Principal Office. The principal office of the Corporation for the transaction of business may be established at any place or places within or without the State of California. The principal office may be changed from time to time by the Board of Directors (the “Board”).

**ARTICLE II
MEMBERSHIP**

Section 2.1. Members. The Corporation shall have no members. Any action which would otherwise require the approval of members shall require only the approval of the Board. All rights which would otherwise vest in the members shall vest in the Board.

**ARTICLE III
BOARD OF DIRECTORS**

Section 3.1. Management by Board. The affairs of the Corporation shall be managed by its Board of Directors, which may exercise all powers of the Corporation and do all lawful acts and things necessary or appropriate to carry out the purposes of the Corporation, subject to any limitations set forth in the Articles of Incorporation, these Bylaws or relevant provisions of the California Nonprofit Public Benefit Corporation Law. The Board may delegate the management of the activities of the Corporation to any person or persons, a management company, or committees, however composed, 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.

Section 3.2. Number of Directors.

(a) The Board shall have at least one and no more than two directors until July 15, 2016. One initial director shall be appointed by the Governor of Oregon, or the Oregon Governor’s designee, and one director shall be appointed by the Governor of California, or the

California Governor's designee. The period of time prior to July 15, 2016 is referred to as the "Initial Directors Period."

(b) After the Initial Directors Period, the Board shall have at least two and no more than 15 directors comprised of the following: the two initial directors; four additional directors appointed by the Governor of California or the California Governor's designee; three additional directors appointed by the Governor of Oregon or the Oregon Governor's designee, one director appointed by the Karuk Tribe; one director appointed by the Yurok Tribe; one director appointed by the Klamath Tribes; two directors appointed by the entities listed in part A of Exhibit 1; and one director appointed by the entities listed in Part B of Exhibit 1; provided that, only parties to the KHSA may participate in the foregoing appointment authority. Appointing authorities shall make their appointments by providing written notice of the appointment and its effective date, in advance, to the Board. In the case of the appointments by the entities in Exhibit 1, the respective notices of appointment shall be executed on behalf of a majority of the entities appearing in part A of Exhibit 1, and on behalf of both of the entities appearing in Part B of Exhibit 2.

Section 3.3. Selection and Term of Office. Unless earlier removed as provided hereunder, each director shall hold office for six years and shall serve until a successor has been appointed, except as provided in Sections 3.4 and 3.5. Upon the expiration of the term of any director, that director's successor shall be appointed in the same manner as that director whose term expired. There shall be no limits on the number of consecutive full or partial terms a director may serve on the Board. The Board may provide for staggered terms by resolution.

Section 3.4. Vacancies.

(a) Subject to the provisions of Section 5226 of the California Nonprofit Corporation Law, any director may resign by giving written notice to the Secretary and to the entity that appointed the director, which resignation shall be effective upon the Secretary's receipt thereof, unless the notice specifies a later time for the effectiveness of such resignation. Promptly after receiving any notice of resignation by a director, the Secretary shall notify the Board and the appointing authority that appointed the resigning director. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective. If the Secretary is the resigning director then the notice of resignation notice shall go to the President, who shall provide the foregoing notices to the Board and the appointing authority.

(b) Each vacancy in the Board shall be filled in the same manner as the director whose office is vacant was selected. Each director so selected shall hold office until the expiration of the term of the replaced director and until a successor has been selected and qualified, except for directors removed pursuant to Section 3.5 of this Article III, whose terms shall expire upon removal.

(c) A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation, or removal of any director, or if the authorized number of directors is increased.

Section 3.5. Removal.

(a) The Board may by resolution declare vacant the office of a director who has been declared of unsound mind by an order of court, or convicted of a felony, or found by final

order or judgment of any court to have breached a duty arising under Article 3 of Chapter 2 of Part 2 of the California Nonprofit Corporation Law.

(b) A director may be removed for cause by a majority vote of the directors then in office. Such cause shall be at the sole discretion of the Board.

(c) A director may be removed at any time by the appointing authority for that director, in its sole discretion, by notice to the Secretary that meets the requirements for an appointment notice under Section 3.2(b).

Section 3.6. Place of Meetings. Meetings of the Board may be held at any place within or outside the State of California that has been designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation.

Section 3.7. Annual Meetings. The Board shall hold an annual meeting for the purpose of organization, selection of officers and the transaction of other business.

Section 3.8. Other Regular Meetings. Other regular meetings of the Board shall be held on such dates and at such times as may be fixed by the Board.

Section 3.9. Special Meetings. Special meetings of the Board for any purpose or purposes may be called at any time by the President of the Board or at the request of not less than by 25% of the directors then in office. The Board shall adopt policies relating to holding informational meetings that are open to the public at least once each year.

Section 3.10. Notice.

(a) Notice of the time, place and agenda for a regular meeting of the Board shall be provided to each member of the Board at least seven (7) calendar days before the date of such meeting by telephone, including a voice messaging system or other system of technology designed to record and communicate messages, facsimile, U.S. mail, hand-delivery, electronic mail, or other electronic means. Notice of the time, place and agenda for a special meeting of the Board shall be provided to each member of the Board with at least four (4) days' notice by first-class mail or 48 hours' notice given personally or by telephone, including a voice messaging system or other system of technology designed to record and communicate messages, facsimile, electronic mail, or other electronic means. 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 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.

(b) 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 of the recipient who the person giving the notice has reason to believe will promptly communicate

it to the receiver. The notice shall signify the time and place of the special meeting and the business to be transacted.

Section 3.11. Quorum. Presence of a majority of the number of 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. During the Initial Directors Period the presence of the first director appointed shall constitute a quorum.

Section 3.12. Conduct of Meeting. The President or, in the President's absence, the Vice President, shall preside. If neither the President nor a Vice President is present at a meeting then such meeting shall be chaired by a director selected by a majority of the directors present.

Section 3.13. Participation in Meetings by Conference Telephone. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Any director so participating shall be deemed to be present in person at such meeting.

Section 3.14. Waiver of Notice. Notice of a meeting need not be given to any director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting, without protesting, prior thereto or at its commencement, the lack of notice to such director. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 3.15. Adjournment. A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for 24 hours or less, 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. If the meeting is adjourned for more than 24 hours, notice of any adjournment to another time or place 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 3.16. Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 3.17. Rights of Inspection. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the Corporation of which such person is a director.

Section 3.18. Fees and Compensation. Directors shall not be compensated for their services but may receive reimbursement for expenses reasonably incurred in performance of duties as may be fixed or determined by the Board.

ARTICLE IV COMMITTEES

Section 4.1. Executive Committee.

(a) The Board may designate an Executive Committee. The Executive Committee shall be charged with the general supervision of the Corporation's activities, policies, financial resources and investments. The Executive Committee shall have and exercise all of the powers of the Board during the interim between meetings of the Board except to amend the Articles of Incorporation or Bylaws or to convey real property of the Corporation.

(b) The Executive Committee shall be comprised of the officers designated pursuant to Section 5.1 and at least one director who is not an officer. Non-officer members of the Executive Committee shall be appointed by the Board.

(c) The Executive Committee shall meet at least monthly. The regular meetings of the Executive Committee shall be scheduled by the President. In special cases or emergencies the President may convene a meeting of the Executive Committee upon such notice as is reasonably available and necessary to advise the members of the Executive Committee.

(d) The Minutes of the Executive Committee shall be provided to the Board prior to the next Board meeting.

Section 4.2. Audit Committee. The Board shall appoint an audit committee who shall act pursuant to procedures adopted by the Board from time to time.

Section 4.3. Advisory Council. The Board may, in its sole discretion, appoint an Advisory Council to advise the Board in such of its activities as the Board may from time to time determine. The Advisory Council shall consist of such persons, and such number of persons, as the Board shall appoint from time to time in its sole discretion to provide advice and reflect the views of communities, groups and other interests that may be affected by or interested in the activities of the Corporation, provided that if the Board elects to establish an Advisory Council it shall invite each of the U.S. Department of Interior, the U.S. Department of Commerce, the Oregon Department of Fish and Wildlife, the California Department of Fish and Wildlife, the Oregon Governor's Natural Resources Office, and the California Natural Resources Agency (collectively the "permanent Advisory Council members") to designate a representative to serve on the Advisory Council. The Board shall have the right, with or without cause and at any time, to add a member to or remove a member from the Advisory Council, except that the Board shall not remove a representative of a permanent Advisory Council member without cause. The Advisory Council shall meet at such time(s) as are determined by the Board. The Board shall call a meeting of the Advisory Council if (i) one-third or more of the Advisory Council's members make a request to the President for such a meeting, or (ii) the representative of any permanent Advisory Council member makes such a request. The Board shall send a representative to meetings of the Advisory Council, or may, in its discretion, meet directly with the Advisory Council. The Advisory Council shall make recommendations to the Board on matters referred to the Advisory Council by the Board, and may make recommendations on matters that the Advisory Council determines are relevant to the Corporation's activities. Individual members of the Advisory Council may decline

to participate in particular recommendations of the Advisory Council. The designated representatives of the permanent Advisory Council members shall be given notice of each meeting of the Board in accordance with Section 3.10 hereunder, and shall be invited to attend each such meeting unless it is to be held in executive session.

Section 4.4. Other Committees. Other standing or temporary committees may be established from time to time by the Board. These committees' membership may consist of directors only, both directors and non-directors, or non-directors only (each, a "Board Committee"). Except for the Executive Committee, Board Committees have no legal authority to act for the Corporation except and to the extent that the Board authorizes a Board Committee or member thereof to take a specific action on behalf of the Board. Board Committees shall report their findings and recommendations to the Executive Committee and the Board.

Section 4.5. Acts of a Board Committee. Each Board Committee shall act pursuant to procedures adopted by the Board; provided, however, that when the Board has by resolution authorized a Board Committee to take a specific action on behalf of the Board, such Board Committee shall follow the same decision-making procedures adopted by the Board for acts of the full Board or any other decision-making procedures adopted by the Board for such committee.

Section 4.6. Fees and Compensation. Members of Board Committees may receive reasonable compensation of up to an amount to be determined by the Board. Reimbursement for expenses incurred in performance of duties may be fixed or determined by the Board.

ARTICLE V OFFICERS, EMPLOYEES AND AGENTS OF THE CORPORATION

Section 5.1. Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary, and a Treasurer, each of whom shall be a director. Any number of such offices may be held by the same person, except as provided in the Articles or in these Bylaws and except that, other than during the Initial Directors Period, neither the Secretary nor the Treasurer may serve concurrently as the President of the Board.

Section 5.2. Election. The officers of the Corporation shall be elected annually by a majority of the directors then in office, and each shall serve at the pleasure of the Board.

Section 5.3. Subordinate Officers. The Board may appoint, by a majority vote of the directors then in office, such additional officers, who need not be directors, as the business of the Corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined from time to time by the Board.

Section 5.4. Removal and Resignation.

(a) Any officer may be removed from such office, with or without cause, at any time, by a majority vote of the directors then in office. The officer in question, if a director, shall not be included when determining the quantity of votes required for a majority vote.

(b) Any officer may resign at any time by giving written notice to the Board. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 5.5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these Bylaws for regular election or appointment to that office, provided that such vacancies shall be filled as they occur and not on an annual basis.

Section 5.6. Employees and Other Agents. The Board may from time to time appoint such employees and other agents as it shall deem necessary, each of whom shall hold office at the pleasure of the Board, and shall have such authority and perform such duties and receive such compensation, if any, as the Board may from time to time determine. To the fullest extent allowed by law, the Board may delegate to any employee or agent any powers possessed by the Board and may prescribe their respective title, terms of office, authorities and duties.

Section 5.7. President. Subject to the control of the Board, the President shall supervise the Corporation's activities, affairs, and officers. Subject to Section 3.12, 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.

Section 5.8. Vice President. In the absence or disability of the President, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as from time to time may be prescribed for the Vice President by the Board or by the Bylaws.

Section 5.9. Secretary. The Secretary shall attend to the following:

(a) Book of minutes. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board may direct, a book of minutes of all meetings and actions of directors and Board Committees, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings and the proceedings of such meetings.

(b) Notices, seal and other duties. The Secretary shall give, or cause to be given, notice of all meetings of the Board required by the Bylaws to be given. The Secretary shall keep the seal of the Corporation in safe custody. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board or the Bylaws.

Section 5.10. Treasurer. The Treasurer shall attend to the following:

(a) Books of account. The Treasurer 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, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in

financial statements. The books of account shall be open to inspection by any director at all reasonable times.

(b) Deposit and disbursement of money and valuables. The Treasurer shall deposit all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board; shall disburse the funds of the Corporation as may be ordered by the Board; shall render to the directors, whenever they request it, an account of all transactions as Treasurer 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 or the Bylaws.

Section 5.11. Compensation. Officers shall not be compensated for their services but may receive reimbursement for expenses incurred in the performance of their duties as may be fixed or determined by the Board.

ARTICLE VI EXPENDITURES

Section 6.1. Corporation Expenditures. The Board shall adopt appropriate financial and accounting procedures for its expenditures, including criteria for reimbursement of expenditures by committee members or any director for the costs of outside experts, consultants or advisors involved in implementing the KHSA or any other purpose of the Corporation, or for costs charged by a governmental entity with authority over any applications to dispose of property pursuant to Section 851 of the California Public Utilities Code (“Section 851”) or the resulting transactions.

ARTICLE VII RECORDS AND REPORTS

Section 7.1. Corporate Records. The Corporation shall keep:

- (a) Adequate and correct books and records of accounts;
- (b) Written minutes of the proceedings of its Board and Board Committees; and
- (c) The original or a copy of the Articles and Bylaws, as amended, to date.

Section 7.2. Annual Report.

(a) Financial statements shall be prepared as soon as reasonably practicable after the close of the fiscal year. The financial statements shall contain in appropriate detail the following:

- (1) The assets and liabilities, including trust funds, of the Corporation as of the end of the fiscal year;
- (2) The principal changes in assets and liabilities, including trust funds, during the fiscal year;

(3) The revenue or receipts of this 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 transaction during the previous fiscal year to which the Corporation or a subsidiary was a party and in which any directors or officers of the Corporation or subsidiary had or has a direct or indirect material financial interest. The report must disclose the names of the interested persons involved in such transaction, stating such person's relationship to the Corporation, the nature of such person's interest in the transaction and, where practicable, the amount of such interest; and

(6) The amount and circumstances of any indemnification or advances paid during the fiscal year to any officer or director of the Corporation.

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

(c) To the extent required by law, a report including the financial statements prescribed above shall be furnished annually to all directors of the Corporation.

ARTICLE VIII OTHER PROVISIONS

Section 8.1. Endorsement of Documents; Contracts. Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the Corporation and any other person, when signed by the President, the Treasurer, or such other officer as is delegated such authority by the Board, shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board, and, unless so authorized by the Board, no 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. The Corporation is under no obligation to enter into contracts for goods and services with any individual or other entity that may have created or sponsored it.

Section 8.2. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law and in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws.

Section 8.3. Amendments. These Bylaws may be amended or repealed or new Bylaws adopted by a majority vote of the directors then in office, provided that the Bylaws may not be

amended in such a way to cause the corporation to lose its status as a corporation which is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Code.

Section 8.4. Fiscal Year. The fiscal year of the Corporation shall be determined by resolution of the Board.

Section 8.5. Corporate Seal. The Corporation may have a seal which shall be specified by resolution of the Board.

ARTICLE IX DEDICATION OF ASSETS

The property of the Corporation is irrevocably dedicated to charitable and public purposes and no part of the net earnings or assets of the Corporation shall inure to the benefit of (or be distributable to) any director or officer of the Corporation or other private person, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its charitable and public purposes. Upon any dissolution of the Corporation, the disposition of any assets that originated as public funds shall, to the extent permitted under applicable law, including Section 501(c)(3) of the Internal Revenue Code or any corresponding section of any future federal tax code, be governed by the agreement which disbursed such funds to the Corporation.

ARTICLE X LIABILITY: INDEMNIFICATION

Section 10.1. Directors, Agents, and appointing entity. The Corporation is solely liable for all its debts and obligations. The individual property of the directors, officers, employees, or agents of the Corporation, and the entities that appointed the directors, shall not be held liable for the debts or obligations of the Corporation.

Section 10.2. Indemnification of Directors and Officers. To the fullest extent permitted by law, the Corporation shall in all cases indemnify any existing or former director or officer of the Corporation who was or is a party (or is threatened to be made a party) to any threatened or pending action, suit, or other proceeding by reason of the fact that he or she is or was a director or officer of the Corporation, or by reason of his or her conduct in any such capacity, against expenses (including, without limitation, costs of investigation and attorneys' fees, judgments, fines, penalties, and amounts paid in settlement) actually and reasonably incurred by him or her in connection with such proceeding.

Section 10.3. Indemnification of Employees and Agents. The Corporation may indemnify any other person who was or is a party (or is threatened to be made a party) to any threatened or pending action, suit, or other proceeding by reason of the fact that he or she is or was an employee or agent of the Corporation (or is or was serving at the request of the Corporation as a director, officer, trustee, employee, partner, fiduciary, or agent of another entity), or by reason of his or her conduct in any such capacity, against expenses actually and reasonably incurred by him or her in connection with such proceeding. Such indemnification shall be subject to any restrictions imposed by applicable law or by the Board in its discretion.

Section 10.4. Advance Payment of Expenses. In its discretion the Board may, to the extent permitted by applicable law and on such conditions as it deems appropriate, authorize the Corporation to pay or reimburse costs of investigation, attorneys' fees, and other expenses incurred by a person entitled to reimbursement under this Article, even in advance of the final disposition of the proceeding in question.

Section 10.5. Nonexclusive Remedy; Benefit. The rights provided by this Article shall not be deemed exclusive of any other right of indemnification or payment provided by contract, the Articles, vote of directors, or otherwise. Any right of indemnity or payment arising under this Article shall continue as to a person who has ceased to hold the office or position in which such right arose; shall inure to the benefit of his or her heirs, executors, and administrators; and shall survive any subsequent amendment of this Article.

Section 10.6. Insurance. The Corporation may, at the discretion of the Board, purchase and maintain insurance on behalf of the persons described in Sections 10.2 and 10.3 against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person under the laws of the State of California.

ARTICLE XI CONFLICTS OF INTEREST

Section 11.1. Fiduciary Obligation. In conducting the affairs of the Corporation, each director shall owe a fiduciary obligation exclusively to the Corporation, and not to any other person or entity, including the entity that appointed such director to the Board of the Corporation.

Section 11.2. Statement of Potential Conflicts. Prior to taking his or her position on the Board, and annually thereafter, each director shall submit in writing to the President of the Board a list of all businesses and other organizations of which he or she is an officer, director, trustee, member, owner (either as a sole proprietor or a partner), a shareholder (other than a *de minimis* ownership interest), employee or agent with which the Corporation has, or might be expected to have, a relationship or a transaction in which the director might have an interest conflicting with the fiduciary obligation stated in Section 11.1. The statements shall be made available to all directors.

Section 11.3. Conduct of Meetings of the Board of Directors When a Conflict Exists. At such time as any matter comes before the Board which involves or may involve a conflict of interest, the affected director shall make known the potential conflict, whether disclosed by his or her written statement or not. Such director shall answer any questions that might be asked of him or her and shall disclose all material facts. At the request of the President, or the request of the Vice-President if the director with a conflict is the President, such director shall withdraw from the meeting for so long as the matter shall continue under discussion. If by withdrawing there is no longer a quorum, consideration of the matter shall be rescheduled until such time when there is a quorum despite the withdrawn director.

Section 11.4. Effect of Conflict. A director may be interested, directly or indirectly, in any contract, transaction or act relating to or incidental to the operations conducted by the

Corporation, and may freely make contracts, enter into transactions, or otherwise act for or on behalf of the Corporation in such matters; provided that (i) the direct or indirect interest of the director in the proposed contract, transaction or act shall first be disclosed to and approved by the Board, (ii) any director directly or indirectly interested in the contract, transaction or act shall refrain from voting on the matter, and (iii) no contract, transaction or act shall be entered into or taken on behalf of the Corporation if such contract, transaction or act would jeopardize the Corporation's tax-exempt status under Section 501(c)(3) of the Code.

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EXHIBIT 1

- A. The following entities may appoint two directors as provided in Section 3.2(b) of the Bylaws.

American Rivers
California Trout
Klamath Riverkeeper
Northern California Council, Federation of Fly Fishers
Salmon River Restoration Council
Sustainable Northwest
Trout Unlimited

- B. The following entities may appoint one director as provided in Section 3.2(b) of the Bylaws.

Institute for Fisheries Resources
Pacific Coast Federation of Fishermen's Associations