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BYLAWS OF BEAR VALLEY MOUNTAIN COOPERATIVE 2, INCORPORATED

ARTICLE I. MEMBERSHIP

Section 1.01. Classification of Members.

The Cooperative shall have one class of members. Except to the extent set out in the Articles of Incorporation or these Bylaws, the rights and responsibilities of members shall be determined by majority vote of the Board of Directors and a Certificate of Determination regarding the same shall be filed with the Secretary of State. After a Certificate of Determination has been filed, any changes in the rights or responsibilities of the members of a class must be made in accordance with California law.

Section 1.02. Membership Qualifications.

Ownership in the Cooperative shall be voluntary and open to any individual who: (i) is in accord with, and desires to further, the community recreational purpose of the Cooperative; (ii) will purchase, or subscribe for, not less than one Membership Share; (iii) is a resident of the State of California, and (iv) is at least 18 years of age.

Section 1.03. Membership Application.

The Board of Directors may prescribe by resolution that an applicant eligible for and desiring admission to membership in the Cooperative shall be required to file a written application in such form as the Board of Directors shall prescribe.

Section 1.04. Acceptance of Members.

Applications for membership shall be reviewed by the Board of Directors or by a Membership Committee duly authorized by Board resolution to admit members. The application shall be accepted unless rejected in writing within ninety (90) days for reasons satisfactory to the Board. If accepted, the applicant shall be admitted to membership and shall be allowed to vote and hold office. If rejected, the applicant shall be entitled to a refund of any amounts paid for membership fees and shares.

Section 1.05. Transfers Restricted.

No member may assign or transfer his, her or its membership share or any right arising therefrom, except as provided by these Bylaws. Any attempted assignment or transfer of a membership share or of any rights arising therefrom not in accordance with these Bylaws shall be wholly void and shall confer no rights on the intended assignee or transferee. A member shall be permitted to transfer his, her or its membership share only on the books of the

Cooperative upon the written consent and approval of the Board of Directors, and to a transferee who qualifies for membership. No membership share shall be transferred unless any and all indebtedness owing the Cooperative by the member is paid.

Section 1.06. Bylaws and Articles to Prospective Members.

Each prospective member, upon application for membership, shall receive and sign a copy of the disclosure document of the Cooperative. The Bylaws and Articles of Incorporation of the Cooperative shall be maintained available for members on the web site of the Cooperative and at its principal office. By applying for and obtaining one or more member shares, each applicant agrees to be bound by the Articles of Incorporation and Bylaws of the Cooperative, including any amendments subsequently adopted.

Section 1.07. Shareholders and Members.

“Shareholder” and “member” and their plurals shall be synonymous terms throughout these Bylaws.

ARTICLE II. SHARES

Section 2.01. Membership Shares Issuance

Membership Shares may be issued for money paid in an amount as is determined from time to time by the Board of Directors. The amount to be paid for each Membership Share shall be \$2,500.00 until changed by the Board by a vote in accordance with these Bylaws.

Section 2.02. Share Ownership.

Each member shall be entitled to purchase one Membership Share. Share ownership entitles a member to only one (1) vote in the affairs of the Cooperative as set forth in these Bylaws and to all the rights of membership as described by statute, the Articles of Incorporation, and these Bylaws. Each member share shall be entitled to such non-voting benefits as the Board shall, in its discretion, determine from time to time. All member benefits shall be in accordance with applicable laws. “Benefits” as used herein shall include any benefits or privileges extended to members of the Cooperative by the owner or operator of the Bear Valley ski area, the Bear Valley Adventure Company, the Bear Valley Pavillion or related facilities, which shall be made available only pursuant to contract between the Cooperative and such owner or operator. Member benefits shall not in any event interfere with the enjoyment of the Cooperative’s recreational facilities by the general public.

Section 2.03. Share Receipt and Disclosure Document.

Prior to issuing a share or shares to any member, the Cooperative shall provide the purchaser with a disclosure document which shall contain the information required by Section 12401 of the California Cooperatives Code.

Section 2.04. Unclaimed Equity Interests.

Any share of a member that would otherwise escheat to the State of California as unclaimed personal property shall instead become the property of the Cooperative if the Cooperative gives at least sixty (60) days' prior notice of the proposed transfer to the affected member by (1) first-class or second-class mail to the last address of the member shown on the Cooperative's records, and (2) by publication in a newspaper of general circulation in the county in which the Cooperative has its principal office. No shares or amounts shall become the property of the Cooperative under this section of the Bylaws if written notice objecting to the transfer is received by the Cooperative from the affected member prior to the date of the proposed transfer.

ARTICLE III. TERMINATION OF MEMBERSHIP

Section 3.01. Termination of Ownership.

Ownership may be terminated voluntarily by an owner at any time upon written notice to the Cooperative and tender of all outstanding membership share certificates, if any. Ownership may be terminated for sufficient cause by the Board, provided that such person is accorded a fair hearing, including adequate notice of the charges and the opportunity to speak and present evidence. Upon termination of ownership for any reason, all rights and interests in the Cooperative shall cease except for rights to return of money for the membership shares from available funds as and when determined by the Board of Directors after the close of the then-current fiscal year. Except in the case of a dissolution liquidation, terminations in any fiscal year shall not exceed 5% of the outstanding shares as of the close of that fiscal year. For purposes hereof, available funds for payment to terminating members shall be deemed to be the cash capital reserves of the Cooperative. In the event that available funds for any fiscal year are insufficient to repay all terminating members, payment shall be made to the extent herein permitted in order according to the date and times that the termination notices have been received by the Cooperative. The Board may delineate further policies and procedures for termination of ownership pursuant hereto, including a schedule of fees to cover administrative costs.

ARTICLE IV. MEMBERSHIP MEETINGS AND MEMBERS

Section 4.01. Location.

Meetings of members shall be held at the principal office of the Cooperative, or at such other location as the Board may determine.

Section 4.02. Regular Annual Meetings.

Unless otherwise set by the Board, a regular meeting of members shall be held annually on the first Saturday in August for the purpose of transacting any proper business, including the election of Directors, that may come before the meeting. If the day fixed for the regular meeting falls on a legal holiday, the meeting shall be held at the same time and place on the next day.

Section 4.03. Special Meetings.

Special meetings of members for any lawful purpose may be called by the Board of Directors, the President, or by five percent (5%) or more of the members.

Section 4.04. Time for Notice of Meetings.

Whenever members are required or permitted to take action at a meeting, a written notice of the meeting shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting to each member who is entitled to vote on the record date for notice of the meeting. In the case of a specially called meeting of members, within twenty (20) days after receipt of a written request, the Secretary shall cause notice to be given to the members entitled to vote that a meeting will be held at a time fixed by the Board of Directors not less than thirty-five (35) nor more than ninety (90) days after receipt of the request.

Section 4.05. Method of Giving Notice.

Notice shall be given either personally or by regular mail, by an overnight courier service, by email or by other written communication to the address of a member appearing on the books of the Cooperative or provided by the member. If notice to an email addresses bounces, then notice will be given by one of the other methods. If no address appears or is given, notice shall be given at the principal office of the Cooperative.

Section 4.06. Record Date for Notice.

The record date for determining the members entitled to notice of any meeting of members is thirty (30) days before the date of the meeting.

Section 4.07. Contents of Notice.

The notice shall state the place, date, and time of the meeting. The notice of a regular meeting shall state any matters that the Board of Directors, at the time of giving notice, intends to present for action by the members. The notice of a special meeting shall state the general nature of the business to be transacted. The notice of any meeting at which Directors are to be elected shall include the names of all nominees at the time of giving notice.

Section 4.08. Waivers, Consents, and Approvals.

The transactions of a meeting, whether or not validly called and noticed, are valid if a quorum is present and each of the absent members who is entitled to vote, either before or after the meeting, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. A member's attendance at a meeting shall constitute a waiver of notice and presence at the meeting, unless the member objects at the beginning of the meeting. However, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice but not included, if an objection is made at the meeting.

Section 4.09. Quorum at Meeting.

The lesser of two hundred fifty (250) members or members representing five percent (5%) of the voting power shall constitute a quorum at a meeting of members. Any Bylaw amendment to increase the quorum may be adopted only by approval of the members. When a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting and entitled to vote shall be the act of the members, unless provided otherwise by these Bylaws or the law. The only matters that may be voted upon at any regular meeting actually attended by less than one-third (1/3) of the voting power are matters for which notice of the general nature thereof was given pursuant to the first sentence of Section 4.04 of these Bylaws.

Section 4.10. Loss of Quorum at Meeting.

The members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if the action taken, other than adjournment, is approved by at least a majority of the members required to constitute a quorum.

Section 4.11. Adjournment for Lack of Quorum.

In the absence of a quorum, any meeting of members may be adjourned by the vote of a majority of the votes represented in person, but no other business may be transacted except as provided in Section 4.10 of these Bylaws.

Section 4.12. Adjourned Meetings.

The Cooperative may transact any business at an adjourned meeting that could have been transacted at the original meeting. When a meeting is adjourned to another time or place, no notice is required if the time and place are announced at the original meeting. If the adjournment is for more than forty-five (45) days or if a new record date is fixed, a notice of the adjourned meeting shall be given to each member of record entitled to vote at the meeting.

Section 4.13. Voting of Memberships.

(a) Each member of the Cooperative is entitled to one (1) vote on each matter submitted by the Board to a vote of the members.

(b) If a membership stands of record in the names of two (2) or more persons whether fiduciaries, members of a partnership, parent custodian, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, persons entitled to vote under an agreement, or otherwise, or if two (2) or more persons have the same fiduciary relationship respecting the same membership, unless the Secretary is given written notice to the contrary and furnished with a copy of the instrument or order appointing them or creating the relationship, the vote of one (1) joint holder will bind all, when only one (1) votes, and the vote of the majority will bind all, when more than one (1) joint holder votes.

(c) The record date for determining the members entitled to vote at a meeting or cast written ballots is twenty (20) days before the date of the meeting or the day on which the first ballot is mailed or solicited.

(d) Cumulative voting shall not be permitted for any purpose.

(e) Voting by proxy shall not be permitted for any purpose.

Section 4.14. Use of Written Ballots at Meetings.

A combination of written ballot and personal voting may be used at any regular or special meeting of members, and may be used for the election of Directors. Prior to the meeting, the Board of Directors may authorize distribution of a written ballot to every member entitled to vote. The ballots shall be distributed in a manner consistent with the provisions of Sections 4.05, 4.17(b), and 4.19 of these Bylaws. When ballots are distributed, the number of members voting at the meeting by written ballot shall be deemed present at the meeting for purposes of determining a quorum but only with respect to the proposed actions referred to in the ballots.

Section 4.15. Contents of Written Ballot Used at Meetings.

Any written ballot used at a meeting shall set forth the proposed action to be taken, provide an opportunity to specify approval or disapproval of the proposed action, and state that unless revoked by the member voting in person, the ballot will be counted if received by the Cooperative on or before the time of the meeting.

Section 4.16. Action by Ballot without Meeting.

Any action that may be taken at any regular or special meeting, including election of Directors, may be taken without a meeting through distribution of a written ballot to every member entitled to vote on the matter. The Secretary shall cause a vote to be taken by written ballot on

any action or recommendation proposed in writing either by the Board of Directors or by at least twenty percent (20%) of the members in writing, which includes email.

Section 4.17. Written Ballot Used without Meeting.

(a) Any ballot used without a meeting shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Cooperative.

(b) The form of written ballot distributed to ten (10) or more members shall afford an opportunity to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time of distribution, to be acted on by the ballot. The form must also provide that whenever the person solicited specifies a choice with respect to any matter, the vote will be cast in accordance with that choice.

(c) A written ballot cannot be revoked. Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by the ballot.

Section 4.18. Solicitation of Written Ballots.

Ballots shall be solicited in a manner consistent with Sections 4.05, 4.17(b), and 4.19 of these Bylaws. The solicitations shall indicate the number of responses needed to meet the quorum requirement and specify the time by which the ballot must be received to be counted. Ballots other than for the election of Directors shall state the percentage of approvals necessary to pass the measure.

Section 4.19. Withholding Vote.

In an election of Directors, any form of written ballot, which names the candidates for Director and which the member has marked "withhold" (or otherwise indicated that the authority to vote in the election of Directors is withheld) shall not be used for voting in that election.

ARTICLE V. DIRECTORS

Section 5.01. Number.

The Cooperative shall have seven (7) Directors, collectively known as the board of Directors.

Section 5.02. Qualifications.

Six of the Directors of the Cooperative shall be members in good standing of the Cooperative (“Member Directors”). One non-Member Director (the “Nonmember Director”) shall be permitted by election of the Members and approval of a majority of the Member Directors.

Section 5.03. Nomination.

(a) The Board of Directors shall prescribe reasonable nomination and election procedures for the election of Member Directors given the nature, size, and operations of the Cooperative. The procedures shall include: (1) a reasonable means of nominating persons for election as Member Directors, (2) a reasonable opportunity for a nominee to communicate the nominee’s qualifications and the reasons for the nominee’s candidacy to the members, (3) a reasonable opportunity for all nominees to solicit votes, (4) a reasonable opportunity for all the members to choose among the nominees. (b) When the Cooperative distributes any material soliciting a vote for any nominee for Member Director in any publication owned or controlled by the Cooperative, it shall make available to each other nominee, in the same material, an equal amount or space with equal prominence to be used by the nominee for a purpose reasonably related to the election. The Cooperative shall mail within ten (10) business days to all members any material related to the election which a nominee for Member Director has furnished, upon written request and payment of mailing costs by the nominee, or allow the nominee to obtain the names, addresses, and voting rights of members within five (5) business days after the request.

Section 5.04. Election.

The Member Directors shall be elected at the annual meetings or by written ballot in accordance with Sections 4.16-4.19 of these Bylaws. The candidates receiving the highest number of votes up to the number of Member Directors to be elected shall be elected.

Section 5.05. Terms of Office.

The terms of office for Member Directors elected in the first election by Members shall be: Three (3) years for the three director candidates receiving the top three number of votes; two (2) years for the two director candidates receiving the fourth and fifth largest numbers of votes; and one (1) year for the director candidate receiving the sixth largest number of votes. In the event of a tie vote, the newly elected Member Directors shall designate their respective terms consistently with the foregoing staggered terms. At the expiration of the term of any Member Director or Member Directors, Members shall elect successor directors for a term of three (3) years in accordance with these Bylaws. Each Member Director shall hold office until the expiration of the term for which elected and until the election and qualification of a successor.

The Nonmember Director shall serve at the pleasure of the Board.

Section 5.06. Compensation.

The Directors shall serve without compensation except that they shall be paid in advance or reimbursed by the Cooperative for their actual and reasonable expenses incurred in the performance of their duties as Directors of the Cooperative.

Section 5.07. Call of Meetings.

Meetings of the Board of Directors may be called by the President, any Vice-President, the Secretary, or any two Directors.

Section 5.08. Place of Meetings.

Meetings of the Board of Directors may be held at any place designated in the notice of the meeting, or, if not stated in a notice, by resolution of the Board.

Section 5.09. Presence at Meetings.

Directors may participate at meetings of the Board through the use of conference telephone or other communications equipment, as long as all participating Directors can hear one another. Participation by communications equipment constitutes presence at the meeting.

Section 5.10. Regular Meetings.

Regular annual meetings of the Board of Directors shall be held, without call or notice, at the principal office of the Cooperative immediately following the annual meeting of members, as set forth in Section 4.02 of these Bylaws. Regular meetings more frequent than annual meetings may be held without call or notice if the time and place of the meetings are fixed by the Board.

Section 5.11. Special Meetings and Notice.

Special meetings shall be held on four (4) days' notice by first-class mail or forty-eight (48) hours notice delivered personally or by electronic means including email or text message. Notice of regular or special meetings need not be given to any Director who signs a waiver of notice, a written consent to holding the meeting, or an approval of the minutes (either before or after the meeting), or who attends the meeting without protesting prior thereto or at its commencement, the lack of notice to that Director. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 5.12. Quorum at Meetings.

A majority of the authorized number of Directors constitutes a quorum for the transaction of business.

Section 5.13. Acts of Board at Meetings.

Unless provided otherwise in the Articles of Incorporation, these Bylaws, or by law, every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present is the act of the Board. A meeting at which a quorum is present is the act of the Board. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for the meeting or a greater number required by the Articles, these Bylaws, or by law.

Section 5.14. Adjournment of Meetings.

A majority of the Directors present, whether or not a quorum is present, may adjourn to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of the adjournment shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of adjournment.

Section 5.15. Electronic Communication. Action without Meeting.

(a) Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or electronic transmission by and to the corporation, which shall constitute in person presence at the meeting as long as all directors participating in the meeting are able to participate in all matters and hear and communicate with one another concurrently.

(b) Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all Directors individually or collectively consent in writing to the action. The consents shall be filed with the minutes of the proceedings of the Board. Action by written consent has the same force and effect as a unanimous vote of the Directors.

Section 5.16. Executive Committees.

(a) The Board of Directors may create one or more committees to serve at its pleasure by resolution adopted by a majority of the number of Directors then in office when a quorum is present. Each committee shall consist of two (2) or more Directors appointed by a majority vote of the Directors then in office.

(b) Any executive committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except with respect to the following actions:

(1) The approval of any action for which the approval of the members or a majority of all members is required by law;

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

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

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

(5) The appointment of committees of the Board or the members of such committees.

Section 5.17. Resignation of Directors.

Any Director may resign effective upon written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. If a resignation is effective at a future time, a successor may be elected to take office for the balance of the resigning director's term when the resignation becomes effective.

Section 5.18. Removal of Directors.

Any or all Directors may be removed by the Board without cause by affirmative vote or written ballot of a majority of all the votes represented and voting at a duly held meeting at which a quorum is present, or by written ballot, or by the affirmative vote or written ballot of any greater proportion of the votes as required in these Bylaws or by law.

Section 5.19. Filling Vacancies on Board.

Except for vacancies created by removal of a Director pursuant to Section 5.18 of these Bylaws, vacancies may be filled by a majority of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director. Vacancies created by the removal of a Director may be filled only by approval (as defined by Section 12224 of the California Cooperatives Code) of the members. The members may elect a Director at any time to fill any vacancy not filled by the Directors.

Section 5.20. Operating Budget.

The operating budget for each fiscal year shall be approved in advance by the Board no later than November 30 of the preceding fiscal year. The Board shall not approve an annual operating budget that exceeds the greater of (a) \$10,000, (b) One hundred percent 1(00%) of the projected revenue (new capital excluded), or c) Five percent (5%) of available cash.

ARTICLE VI. OFFICERS

Section 6.01. Titles.

The officers of the Cooperative shall be a President, Secretary, Chief Financial Officer or Treasurer, and any other officers with such titles and duties as determined by the Board of Directors. The President is the Chief Executive Officer of the Cooperative. The same person may hold any number of offices.

Section 6.02. Appointment and Resignation.

The officers shall be chosen by the Board of Directors and serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment. Any officer may resign at any time on written notice to the Cooperative without prejudice to the rights, if any, of the Cooperative under any contract to which the officer is a party.

ARTICLE VII. CORPORATE RECORDS AND REPORTS

Section 7.01. Required Records.

The Cooperative shall keep adequate and correct books and records of account and minutes of the proceedings of its members, Board of Directors, and committees of the Board. It shall also keep a record of the members, including the names, addresses, and number of shares held by each. The minutes shall be kept in written form. Other books and records shall be kept either in written form or in any other form capable of being converted into written form.

Section 7.02. Annual Report.

(a) The Cooperative shall notify each member yearly of the member's right to receive an annual financial report. The Board of Directors shall promptly cause the most recent annual report to be sent to a member on written request. The annual report shall be prepared no later than one hundred twenty (120) days after the close of the Cooperative's fiscal year.

(b) The annual report shall contain in appropriate detail all of the following: (1) a balance sheet as of the end of the fiscal year, an income statement, and a statement of changes in financial position for the fiscal year; (2) a statement of the place where the names and addresses of the current members are located; and (3) the statement required by Section 7.03 of these Bylaws.

(c) The annual report shall be accompanied by any pertinent report by independent accountants, or, if there is no such report, by the certificate of an authorized officer of the Cooperative that the statements were prepared without audit from the books and records of the Cooperative.

Section 7.03. Annual Statement of Transactions and Indemnifications.

In addition to the annual report described in Section 7.02 of these Bylaws, the Cooperative shall furnish annually (pursuant to Section 12592 of the California Cooperatives Code) to its members and Directors a statement of the transactions and indemnification to interested

persons. If the Cooperative does not issue an annual report pursuant to Section 7.02 of these Bylaws, such statement shall be mailed or delivered to members within one hundred twenty (120) days after the close of the fiscal year.

ARTICLE VIII. INSPECTION RIGHTS

Section 8.01. Articles and Bylaws.

The Cooperative shall keep at its principal office in California the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the members at all reasonable times during office hours. If the Cooperative has no office in California, it shall furnish on the written request of any member a copy of the Articles or Bylaws as amended to date.

Section 8.02. Books and Records.

The accounting books and records and minutes of proceedings of the members, the Board of Directors, and committees of the Board shall be open to inspection on the written demand of any member at any reasonable time, for a purpose reasonably related to that person's interests as a member. Every Director has 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 Cooperative.

Section 8.03. Inspection of Membership List.

(a) Subject to the Cooperative's right to set aside a member's demand for inspection pursuant to Section 12601 of the California Cooperatives Code and the power of the court to limit inspection rights pursuant to Section 12602 of the California Cooperatives Code, and unless the Cooperative provides a reasonable alternative pursuant to Section 8.03(c) of these Bylaws, a member may do either or both of the following:

(1) Inspect and copy the record of all the members' names, addresses, and voting rights, at reasonable times, on making a written demand five (5) business days in advance which states the purpose for which the inspection rights are requested;

(2) Obtain from the Secretary, upon written demand and tender of a reasonable charge, a list of names, addresses, and voting rights of those members entitled to vote for the election of Directors, as of the most recent record date for which it has been compiled, or as of a date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made available on or before the later of ten (10) business days after the demand is received or after the date specified as the date as of which the list is to be compiled.

(b) The rights set forth in Subsection (a) of this Bylaw section may be exercised by any member or members possessing five percent (5%) or more of the voting power for a purpose reasonably related to the members' interest as members. The Cooperative may deny access to the membership list where it reasonably believes that the information therein will be used for another purpose or where the Cooperative provides a reasonable alternative pursuant to Section 8.03(c) of these Bylaws.

(c) The Cooperative may within ten (10) days after receiving a demand, deliver a written offer of an alternative method of achieving the purpose identified in the demand without providing access to or a copy of the membership list. An alternative method that reasonably and in a timely manner accomplishes the proper purpose set forth in a demand made pursuant to Section 8.03(a) of these Bylaws shall be a reasonable alternative, unless the Cooperative fails to do the things that it offered to do within a reasonable time after acceptance of the offer. Any rejection of the offer shall be in writing and indicate the reasons the proposed alternative does not meet the proper purpose of the demand.

ARTICLE IX. DIVIDENDS PROHIBITED; PERMITTED DISTRIBUTIONS

Section 9.01. Dividends Prohibited.

In order to assure that it will operate with a view toward benefiting the community recreational purpose of the Cooperative, the Cooperative shall not distribute to its owners any dividends, rebates or other distributions of profits or earnings of any sort, except as provided in Sections 9.02 and 9.03.

Section 9.02. Liquidation Distributions.

In the event of a sale of the assets and liquidation of the Cooperative, the net proceeds of such sale shall be apportioned to each outstanding share, and distributed to each Member pro rata according to each share held after deducting any outstanding obligations of the Member to the Cooperative.

Section 9.03. Member Patronage and Benefit Awards.

(a) Net patronage refunds may be paid by a credit to each patron in one or more Board designated patronage funds as the Board of Directors may determine and as permitted by the laws under which the Cooperative is organized. The books and records of the Cooperative shall show at all times the interest of each member in terms of patronage accounts, which shall be credited on the association's books to the respective patrons according to their respective earnings. The amount so credited to a member in any patronage accounts shall, upon dissolution or liquidation of the association, be subordinate to the claims of creditors, but shall be paid to the patrons to whom it was credited before any assets are distributed to stockholders.

(b) Based on the availability of funds, the Board may from time to time designate benefits available to all members throughout the recreational facilities to which the Cooperative has such rights.

(c) No distribution in accordance with this Section 9.03 shall be made if the Cooperative or any subsidiary making a patronage or member benefit distribution is, or as a result thereof would be, likely to be unable to meet its liabilities (except those whose payment is otherwise adequately provided for) as they mature.

ARTICLE X. BYLAW CHANGES

Section 10.01. Bylaw Changes by the Board.

The Bylaws shall be adopted, amended, or repealed by the Board of Directors unless the action would:

(a) materially and adversely affect the rights or obligations of members as to voting, dissolution, redemption transfer, permitted distributions property rights, or rights to repayment of contributed capital;

(b) increase or decrease the number of members or shares authorized in total or for any class;

(c) effect an exchange, reclassification, or cancellation of all or part of the memberships or shares;

(d) authorize a new class of memberships or shares;

(e) change the number of Directors or establish a variable number of Directors;

(f) extend the term of a Director beyond that for which the Director was elected or increase the terms of the Directors as a whole;

(g) allow all or any portion of the Directors to hold office by virtue of designation or selection rather than by election by the members; and

(h) allow the Board to fill vacancies occurring in the Board by reason of the removal of Directors.

Section 10.02. Bylaw Changes by the Members.

Where the Board of Directors is denied the right to adopt, amend, or repeal these Bylaws pursuant to Section 10.01 of these Bylaws, these Bylaws shall be adopted, amended, or repealed by approval of the members.

CERTIFICATE OF SECRETARY OF BEAR VALLEY MOUNTAIN COOPERATIVE

I hereby certify that having been appointed by the Incorporator of this Cooperative, I am the duly elected and acting Secretary of this Cooperative and that the foregoing Bylaws constitute

the Bylaws of this Cooperative, as duly adopted by the Incorporator on November 15, 2018.

Dated this 16th day of November, 2018.

Secretary