

BYLAWS OF
THE UNIVERSITY OF CALIFORNIA HOME LOAN PROGRAM CORPORATION
a California Nonprofit Public Benefit Corporation

ARTICLE I
NAME

The name of this corporation shall be THE UNIVERSITY OF CALIFORNIA HOME LOAN PROGRAM CORPORATION (the “corporation”).

ARTICLE II
PURPOSE

The specific purposes of this corporation shall be to engage in programs and activities to assist The Regents of the University of California (“The Regents”) in performing its governmental and educational functions, including, but not limited to, undertaking the various activities and functions currently performed by the University of California’s Office of Loan Programs. Subject to its articles of incorporation, this corporation shall be permitted to conduct other lawful activities permitted under the California Nonprofit Public Benefit Corporation Law.

ARTICLE III
OFFICE

Section 1. Principal Office. The principal office for the transaction of the business of the corporation (“principal executive office”) shall be fixed and located at 1111 Franklin Street, Oakland, California, or at such other place as the board of directors (“board”) shall determine. The board may change the principal office from one location to another. Any change of this location shall be noted by the Secretary on these bylaws opposite this section, or this section may be amended to state the new location.

Section 2. Other Offices. The board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE IV
MEMBERSHIP

Section 1. Members. The corporation shall have no members. Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the board. All rights which would otherwise vest in the members shall vest in the board.

Section 2. Associates. Nothing in this Article IV shall be construed as limiting the right of the corporation to refer to persons associated with it as members, even though such persons are not members, and no such reference shall constitute anyone a member, within the meaning of Section 5056 of the California Nonprofit Corporation Law. The corporation may confer by amendment of its articles or of these bylaws some or all of the rights of a member, as set forth in the California Nonprofit Corporation Law, upon any person or persons who do not have the right to vote for the election of directors or on a disposition of substantially all of the assets of the

corporation or on a merger or on a dissolution or on changes to the corporation's articles or bylaws, but no such person shall be a member within the meaning of said Section 5056.

ARTICLE V DIRECTORS

Section 1. Powers. Subject to limitations of the articles and these bylaws, the activities and affairs of the corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the board. The board may delegate the management of the activities of the corporation to any person or persons, one or more managers, 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. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the board shall have the following powers in addition to the other powers enumerated in these bylaws or statute:

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

(b) To conduct, manage, and control the affairs and activities of the corporation and to make such rules and regulations therefor not inconsistent with law, the articles, or these bylaws, as they may deem best.

(c) To adopt, make, and use a corporate seal and to alter the form of such seal from time to time as they may deem best.

(d) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities therefor.

(e) To carry on a business at a profit and apply any profit that results from the business activity to any activity in which it may lawfully engage as a tax exempt corporation. No part of such profits shall inure to the benefit of any of its directors, trustees, officers, members, or to individuals.

Section 2. Number of Directors. The board shall consist of five (5) directors.

Section 3. Selection and Term of Office. The directors shall consist of the individuals then-currently serving as the following officers or other officials of The University of California: the President, the Chief Operating Officer, the Chief Financial Officer, the Chief Investment Officer, and the General Counsel (the "Designated Officers"), or the designated representative of a Designated Officer (a "Representative Director"). The appointment of a Representative Director by a Designated Officer shall be accomplished by delivery of a written notice to the Chair of the Board or the Secretary of the corporation by the Designated Officer, which shall be filed in the minute book of the corporation. Each director shall hold office for such time that he or she is serving as a Designated Officer or, in the case of any Representative Director, until such time that the Designated Officer who appointed such Representative Director no longer holds the applicable office or until the Designated Officer removes the Representative Director pursuant to Section 4

below. At such time that an individual is replaced, resigns, is removed or is otherwise no longer serving as a Designated Officer, he or she (or the Representative Director he or she appointed) shall automatically be removed from the board of directors of the corporation.

Section 4. Vacancies. In the event that there is a vacancy in a Designated Officer position, there shall be deemed to be a corresponding vacancy on the board of directors of the corporation. Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any director may resign effective upon giving written notice to either the Chair of the Board, the Secretary, or the board, unless the notice specified a later time for the effectiveness of such resignation. If a Designated Officer resigns as a director of the corporation or does not appoint a Representative Director but remains a Designated Officer, the number of directors of the corporation shall be reduced accordingly until such time that each Designated Officer is either serving as a director of the corporation or has appointed a Representative Director. A Designated Officer may remove any Representative Director he or she appointed at any time with or without cause, and shall appoint a replacement Representative Director or consent to serving as a director. Any removal notice shall be delivered to the Chair of the Board or the Secretary of the corporation and filed in the minute book of the corporation.

Section 5. 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 executive office of the corporation.

Section 6. Annual Meeting. The board shall hold an annual meeting for the purpose of organization, selection of directors and officers, and the transaction of other business. Annual meetings of the board shall be held during the first quarter of each year, or at such time as established by resolution of the board.

Section 7. 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 8. Special Meetings. Special meetings of the board for any purpose or purposes may be called at any time by the Chair of the Board or any one (1) director. Special meetings of the board shall be held upon four days' notice by first-class mail or 48 hours' notice given personally, 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 of communication. Any such notice shall be addressed or delivered to each director at such director's address as it is shown upon the records of the corporation by the director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the directors are regularly held.

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

Section 9. Quorum. Provided that a majority of directors then in office is not less than one-fifth of the authorized number of directors or two (2) directors, a majority of the directors then in office shall constitute a quorum for the transaction of business (except to adjourn as provided in Section 12 of this Article V). Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the board, unless a greater number is required by law or by the articles, except as provided in the next sentence. 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 that meeting.

Section 10. 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.

Section 11. 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 12. Adjournment. A majority of the directors present at a meeting, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place is fixed at the meeting adjourned, except as provided in the next sentence. 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. Such notice may be waived in the same manner as set forth in Section 11 of this Article V.

Section 13. 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; provided, however, that the consent of any director who has a material financial interest in a transaction to which the corporation is a party and who is an "interested director" as defined in Section 5233 of the California Corporations Code shall not be required for approval of that transaction. 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 14. 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.

Section 15. Restriction on Interested Directors. Not more than forty-nine percent (49%) of the persons serving on the board at any time may be interested persons. An interested person is (a) any person compensated by the corporation for services rendered to it other than those performed as a director within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise; (b) any shareholder, employee or officer of any

corporation, or partner or employee of any partnership, which has rendered compensated services to the corporation within the previous twelve (12) months; and (c) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law of any person described in (a) or (b) hereof. Any violation of the provisions of this paragraph shall not, however, affect the validity or enforceability of any transaction entered into by the corporation.

Section 16. Fees and Compensation. Directors and members of committees may receive reasonable compensation for their services as determined by the board, in amounts fixed or determined by the board. Reimbursement for reasonable and necessary expenses incurred in performance of duties may be fixed or determined by the board.

ARTICLE VI COMMITTEES

Section 1. Committees of the Board. The board may appoint one or more committees, each consisting of two (2) or more directors and no persons who are not directors. The board may delegate to such committees any of the authority of the board except with respect to:

- (a) the filling of vacancies on the board or on any committee;
- (b) the fixing of compensation of the directors for serving on the board or on any committee;
- (c) the amendment or repeal of bylaws or adoption of new bylaws;
- (d) the amendment or repeal of any resolution of the board which by its express terms is not so amendable or repealable;
- (e) the appointment of any other committees of the board or the members of these committees; or
- (f) the approval of any self-dealing transaction, as such transactions are defined in Section 5233(a) of the California Nonprofit Public Benefit Corporation Law.

Any such committee must be created, and the members thereof appointed, by resolution adopted by a majority of the authorized number of directors then in office, provided a quorum is present, and any such committee may be designated by such name as the board shall specify. The board may appoint, in the same manner, alternate members of any committee who may replace any absent member at any meeting of the committee. The board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of Article V applicable to meetings and actions of the board. Minutes shall be kept of each meeting of each committee.

Section 2. Advisory Committees. Advisory committees may be appointed from time to time by the board. Advisory committees' membership may consist of both directors and

nondirectors or nondirectors only. Advisory committees have no legal authority to act for the corporation but shall report their findings and recommendations to the board.

Section 3. Audit Committee. The board shall establish an audit committee as and when required by Section 12586(e) of the California Government Code.

Section 4. Fees and Compensation. Members of committees may receive nominal compensation of up to an amount to be determined by the board. Reimbursement for reasonable and necessary expenses incurred in performance of duties may be fixed or determined by the board.

ARTICLE VII OFFICERS

Section 1. Officers. The officers of the corporation shall be a Chair of the Board, Secretary, and Chief Financial Officer. The corporation may also have, at the discretion 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 the provisions of Section 3 of this Article VII. Any number of offices may be held by the same person, except as provided in the articles or in these bylaws and except that neither the Secretary nor the Chief Financial Officer may serve concurrently as the Chair of the Board.

Section 2. Election. The Chief Financial Officer of The University of California, or his or her designee, shall serve as the Chair of the Board of the corporation *ex officio*. Notwithstanding the foregoing, the President of The University of California shall have the right to replace the Chair of the Board of the corporation by removing the individual then serving as Chair of the Board and appointing another director of the corporation to serve as Chair of the Board. Any such removal and appointment shall be accomplished by delivery of a written notice to the board of the corporation or the Secretary of the corporation by the President of The University of California, which shall be filed in the minute book of the corporation. The other officers of the corporation, except those appointed in accordance with the provisions of Section 3 or Section 5 of this Article VII, shall be chosen annually by the board, and each shall serve at the pleasure of the board, subject to the rights, if any, of an officer under any contract of employment.

Section 3. Subordinate Officers. The board may appoint, and may authorize the Chair of the Board or another officer to appoint, any other officers that 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 4. Removal and Resignation. The Chair of the Board may be removed by the President of The University of California, with or without cause, at any time and may not be removed by the board of the corporation. Any other officer may be removed, with or without cause, by the board at any time or, except in case of an officer, chosen by the board, by an officer on whom such power of removal may be conferred by the board. Any such removal shall be without prejudice to the rights, if any, of the officer under any contract of employment with the corporation of the officer.

Any officer may resign at any time by giving written notice to the board, the Chair of the Board, or the Secretary. 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. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

Section 5. Vacancies. If a vacancy occurs in any office because of death, resignation, removal, disqualification, or any other cause, the board shall appoint an officer to fill the vacancy. Each officer so appointed shall hold office until the expiration of the term of the replaced officer.

Section 6. Chair of the Board. The Chair of the Board shall preside at meetings of the board and exercise and perform such other powers and duties as may be from time to time assigned to him by the board or prescribed by the bylaws.

Section 7. 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 committees of directors, 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, if any, 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 8. Chief Financial Officer. The Chief Financial Officer shall attend to the following:

(a) Books of account. The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, 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 Chief Financial Officer 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 Chief Financial Officer and of the financial condition of the corporation; and shall have such other powers and perform such other duties as may be prescribed by the board or the bylaws.

Section 9. Compensation. Officers may receive such reasonable compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the board.

ARTICLE VIII
RECORDS AND REPORTS

Section 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 committees of the board; and
- (c) The original or a copy of the articles of incorporation and bylaws, as amended, to date.

Section 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 this 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 this corporation, for both general and restricted purposes during the fiscal year;
- (5) Any transaction during the previous fiscal year involving Fifty Thousand Dollars (\$50,000.00) or more to which this 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 aggregating more than Ten Thousand Dollars (\$10,000.00) paid during the fiscal year to any officer or director of the Corporation.

(b) When required by law or determined by the board to be advisable, 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) A report including the financial statements prescribed above shall be furnished annually to all directors of the corporation.

ARTICLE IX OTHER PROVISIONS

Section 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 Chair of the Board, and the Secretary or the Chief Financial Officer 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 of the Chair of the Board, Secretary or Chief Financial Officer acting alone if authorized from time to time by the board, or 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 officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

Section 2. Representation of Shares of Other Corporations. The Chair of the Board or any other officer or officers authorized by the Chair of the Board or the board are each authorized to vote, represent, and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted may be exercised either by any such officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by said officer.

Section 3. 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 4. Amendments. These bylaws and the corporation's articles of incorporation may be amended or repealed by the vote of two thirds of the directors then in office, provided, however that these bylaws and the corporation's articles of incorporation may only be amended or repealed with the advance written consent of an authorized officer of The Regents.

Section 5. Fiscal Year. The fiscal year of this corporation shall be July 1 through June 30.

Section 6. Corporate Seal. This corporation may have a seal which shall be specified by resolution of the board.

ARTICLE X INDEMNIFICATION

Section 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.

Section 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(d) 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 court in which such proceeding is or was pending upon application made by the corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by the corporation, shall 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 court shall authorize indemnification.

Section 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 Sections 1 and 2 of this Article in defending any proceeding covered by those sections 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.

Section 4. 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 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.

ARTICLE XI CONTRACTS AND LOANS WITH DIRECTORS AND OFFICERS

Section 1. Contracts with Directors and Officers. No director or officer of this corporation, nor any other corporation, firm, association, or other entity in which one or more of this corporation’s directors or officers are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this corporation, unless (i) the material facts regarding such director’s or officer’s financial interest in such contract or transaction and/or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes, or are known to all members of the board prior to consideration by the board of such contract or transaction; (ii) such contract or transaction is authorized in good faith by a majority of the board by a vote sufficient for that purpose without counting the vote or votes of such interested director(s); (iii) prior to authorizing or approving the transaction, the board considers and in good faith determines after reasonable investigation under the circumstances that the corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (iv) the corporation enters into the transaction for its

own benefit, and the transaction is fair and reasonable to the corporation at the time the transaction is entered into.

The provisions of this Section 1 do not apply to a transaction which is part of a charitable program of the corporation if it: (i) is approved or authorized by the corporation in good faith and without unjustified favoritism; and (ii) results in a benefit to one or more directors or officers or their families because they are in the class of persons intended to be benefited by the charitable program of the corporation.

Section 2. Loans to Directors and Officers. The corporation shall not make any loan of money or property to or guarantee the obligation of any director or officer, unless approved by the Attorney General of the State of California; provided, however, that the corporation may (i) advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such director or officer, provided that in the absence of such advance such director or officer would be entitled to be reimbursed for such expenses by the corporation, and (ii) the corporation may make loans of money to provide financing for the purchase of a personal residence pursuant to Section 5236 of the California Nonprofit Public Benefit Corporation Law.