

AMENDED AND RESTATED BYLAWS OF THE SAN FERNANDO VALLEY BAR ASSOCIATION

Dated September 10, 2018, amending Bylaws dated February 12, 2013

ARTICLE I NAME OF ASSOCIATION

This Association shall be called the "SAN FERNANDO VALLEY BAR ASSOCIATION." The Association may also conduct its activities under the name and style of "SFVBA," and/or any other fictitious business name that the Board of Trustees may from time to time select.

ARTICLE II PURPOSE

This Association is a nonprofit mutual benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Mutual Benefit Corporation Law. This Association is organized exclusively for the purposes stated below within the meaning of §501(c)(6) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any future United States Internal Revenue Law). Notwithstanding any other provision of these Bylaws, this Association shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of this Association, and the Association shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under §501(c)(6) of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any further United States Internal Revenue law).

Section 2.1 MISSION STATEMENT. The mission of the San Fernando Valley Bar Association is to:

- A. Foster excellence in the legal profession;
- B. Facilitate access to justice for all;
- C. Support diversity and inclusion in the legal community; and
- D. Educate and serve our members and our communities.

Section 2.2 PURVIEW. Within the purview of the Association and its Board of Trustees are issues or activities:

- A. Which are of special interest to attorneys, such as ethics, civility, professionalism, elimination of bias in the legal profession, legal education, legislation and court decisions regarding the administration of justice, law practice management, and social events for lawyers and others in the profession;
- B. Which involve the judiciary, such as judicial ethics, elimination of bias in the justice system, the administration and funding of the courts, and court rules and policies;
- C. Which encourage a positive public image of lawyers and the justice system, including pro bono activities, legal assistance to the poor, public education about the law, alternative dispute resolution, attorney's fees, and attorney-client relations issues;
- D. Which encourage the involvement and leadership of attorneys within the San Fernando Valley; and
- E. Which call upon the training and expertise of lawyers and as to which the opinion of the Association, by virtue of the legal training and expertise of its members, may be helpful to the public.

Section 2.3 No substantial part of the activities of this Association shall consist of lobbying or attempting to influence legislation. This Association shall not participate in or intervene in any political or judicial campaign on behalf of any candidate for public office (including the publication or distribution of statements in connection therewith).

ARTICLE III MEMBERS

Section 3.1 ACTIVE MEMBERS. Every attorney who is a member in good standing of the State Bar of California or who has retired in good standing from the State Bar may become a member of this Association by vote of the Board of Trustees, and after paying the dues for the current year and any original admission fee. Membership in the Association is not transferrable. The term of membership shall be one (1) fiscal year ending on September 30, except that new members may have a prorated term.

Section 3.2 HONORARY MEMBERS. The judges of the courts of the United States for the Central District of California; the justices of the Ninth Circuit Court of Appeals; the justices of the Supreme Court of the State of California; the justices of the Court of Appeals, Second District; the judges, commissioners, or referees of the Superior Court of the County of Los Angeles and Justice Courts of the Judicial Districts located in the San Fernando Valley area; and any other judge, commissioner, or referee, including bench officers of the Workers' Compensation Appeals Board, desiring to become a member of this Association, during the time they respectively hold the said offices; and such persons distinguished for public service or eminence in the law, as may be elected by a vote of the Board of Trustees, shall be Honorary Members of this Association without payment of dues, and they shall have all the privileges of membership, except that of voting.

Section 3.3 ASSOCIATE MEMBERS. The following classes of persons shall be permitted to join as non-voting Associate Members of this Association by vote of the Board of Trustees, and after paying dues for the current year as determined by the Board of Trustees, and any original admission fee:

- A. Any law student or graduate law student not yet admitted to the Bar;
- B. Legal assistants/paralegals and legal secretaries, who work under the direction and supervision of an attorney at a law office, government agency, or other entity; and
- C. Non-attorneys who are employed in law-related professions. For purposes of these Bylaws, "related professions" includes accountants, health care professionals, real estate professionals, or other professionals who work closely with attorneys as consultants or expert witnesses.

Section 3.4 TERMINATION OF MEMBERSHIP. A membership shall terminate in accordance with ARTICLE X below.

Section 3.5 VOTING PRIVILEGES OF ACTIVE MEMBERS. Only Active Members may vote on any matter coming before the Association; but honorary and Associate Members shall be entitled to enter into any discussion pertaining thereto. Active Members shall be entitled to vote, as set forth in these Bylaws, on the election of Trustees, on the disposition of all or substantially all of the assets of the Association, on any merger and its principal terms and any amendment of those terms, on any election to dissolve the Association, on certain Bylaw amendments in accordance with ARTICLE XIII below, and on any amendment to the Articles of Incorporation, except as otherwise specified in the California Nonprofit Mutual Benefit Corporation Law. In addition, Active Members shall have all rights afforded voting members under the California Nonprofit Mutual Benefit Corporation Law.

- A. **ELIGIBILITY TO VOTE.** Subject to the California Nonprofit Mutual Benefit Corporation Law, the only persons entitled to vote at any meeting of members shall be Active Members who are in good standing.
- B. **MANNER OF CASTING VOTES.** Voting may be by voice or ballot, except that any election of Trustees and Officers must be by ballot accordance with ARTICLE VII below.
- C. **NUMBER OF VOTES.** Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members. Cumulative voting shall not be permitted. Voting at the Annual or

Special Meetings must be in person, with one vote per member.

D. **APPROVAL BY MAJORITY VOTE.** If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the members unless the vote of a greater number, or voting by classes, is required by the California Nonprofit Mutual Benefit Corporation Law or by the Articles of Incorporation.

Section 3.6 DISPLAY OF SFVBA NAME AND LOGO. A member or Associate Member who is in good standing may inform the public and others of his or her membership in the Association, and may display the Association's name and logo, according to rules adopted by the Board of Trustees. The display must not be misleading. Rules for the display of the name and/or logo may apply generally, or specifically to one or more members or Associate Members, or in a particular circumstance, as the Board of Trustees determines. A member or Associate Member shall stop and/or modify the use and/or display of the name and/or logo as requested by the Association at any time. The privilege of displaying the Association's name and/or logo is not assignable or otherwise transferrable by a member.

Section 3.7 ANNUAL MEETING. The annual meeting of the members of Association shall be held in September or October at a time and place to be determined by the Board of Trustees.

Section 3.8 NOTICE. Notice of the annual meeting shall be given by the Secretary, in writing, addressed and mailed to each of the members of the Association at least five (5) days prior to said meeting. Such notice may be published in any bulletin published by the Association and mailed to members of the Association, in which event a separate notice need not be given.

Section 3.9 SPECIAL MEETINGS. Special meetings may be called, at any time, by the President, by the Board of Trustees, or by petition signed by twenty (20) members of the Association. The number of special meetings by petition shall not exceed three (3) a year. The notice of special meetings shall specify the business to be transacted at the special meeting.

Section 3.10 QUORUM. Fifty (50) Active Members shall constitute a quorum for the conduct of business at any meeting of the members of the Association.

ARTICLE IV ADMISSION FEES AND DUES

Section 4.1 FEES AND DUES. The admission fees and the annual dues, if any, for Active and Associate Members shall be fixed by the Board of Trustees in their discretion, payable at such time as they may determine. Any such admission fees and annual dues may be increased or reduced by the Board of Trustees.

Section 4.2 DUES DELINQUENCIES. Any member failing to pay the annual dues within four (4) months after the same become due may be suspended by the Board of Trustees, after due notice, and shall only be reinstated upon payment of all dues, or remission by the Board of Trustees.

ARTICLE V BOARD OF TRUSTEES

Section 5.1 ELIGIBILITY AND POWERS. The Board of Trustees constituted as provided by these Bylaws, together with any amendments thereto, shall be the governing body of this Association, and shall manage the affairs of the Association subject to and in accordance with the Bylaws. All appropriations of the funds of the Association in excess of \$5,000 must be made by the Board of Trustees. In order to be elected or appointed as a Trustee, a person must have been an Active Member for at least one (1) year prior to serving on the Board of Trustees, except for the Associate Member who may be appointed by the President pursuant to Section 5.7

below. When nominating Trustees or considering Trustee appointments, consideration shall be given to prior suspension(s) or disciplinary action(s) taken by the State Bar involving acts of moral turpitude, if any, against the nominee or appointee being considered.

The Board of Trustees shall have the power to institute and maintain on behalf of the Association all necessary actions, proceedings, and prosecutions directed by the Association, or which in the discretion of the Board of Trustees may be necessary or proper to carry out the will or objectives of the Association; and it shall perform such other duties as may be prescribed by the Bylaws or resolutions of the Association.

Without prejudice to the foregoing general powers, but subject to the same limitations, the Trustees shall have the power to:

- A. Appoint and remove, at the pleasure of the Board of Trustees, all agents and employees of the Association; prescribe powers and duties for Officers that are consistent with law, with the Articles of Incorporation and with these Bylaws; and fix agent and employee compensation, if any, and if appropriate require from agents security for faithful performance of their duties. Subject to the rights, if any, of an employee under any contract of employment, any employee may be removed, with or without cause, by resolution of the Board of Trustees or by majority vote of the Active Members.
- B. Change the principal office in the State of California from one location to another.
- C. Adopt and use a corporate seal and alter the form thereof.
- D. Borrow money and incur indebtedness on behalf of the Association and cause to be executed and delivered for the purposes of the Association, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.
- E. Adopt, amend, or repeal rules not inconsistent with these Bylaws for the management of the internal affairs of the Association and the governance of its Trustees, Officers, agents, committees, and employees.
- F. Conduct affairs of this Association, including the enforcement, interpretation and construction of the Bylaws.

Section 5.2 DUTIES. The Board of Trustees shall meet at least eight times a year and shall keep a record of its proceedings. The Board of Trustees shall report its proceedings at the annual meeting of members of the Association; and at every regular meeting and annual meeting of the Association it shall report any business which in its judgment shall require the action of the Association.

Section 5.3 NUMBER OF TRUSTEES. There shall be up to twenty one (21) members of the Board of Trustees, including the four Officers referred to in Section 6.2 below, including the three appointments made by the President pursuant to Section 5.7 below, and including the Immediate Past President, who shall automatically become a Trustee in the year next following the expiration of his or her term as President.

Section 5.4 QUORUM. A majority of the members of the Board of Trustees shall constitute a quorum, except to adjourn as provided in Section 5.12 below. Subject to the more stringent provisions of the California Nonprofit Mutual Benefit Corporation Law, including, without limitation, those provisions relating to (i) approval of contracts or transactions in which a Trustee has a direct or indirect material financial interest, (ii) appointment of committees of the Board of Trustees and (iii) indemnification of Trustees, every act or decision done or made by a majority of the Trustees present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Trustees. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Trustees, if any action taken is approved by at least a majority of the required quorum for that meeting. Unless a provision of these Bylaws specifically states

otherwise, any action may be taken by a majority of the Trustees present at any meeting, provided that proper notice is given pursuant to Section 5.11 below, and provided that a quorum is present. Alternatively, any action may be taken pursuant to Section 5.5 below.

Section 5.5 ACTION WITHOUT A MEETING. Any action required or permitted to be taken by the Board of Trustees may be taken without a meeting, if all members of the Board of Trustees then in office individually or collectively consent in writing to that action. Written consents and any related materials may be sent by first-class mail, personal delivery, or electronic transmission to Trustees, and responses may be returned to the Association by first-class mail, personal delivery, or electronic transmission to the Association. Written consents and responses sent by electronic transmission shall be sent in accordance with the provisions of ARTICLE XVII below. Actions by written consent shall set forth the proposed action and provide a reasonable time within which to return the written consent to the Association. Actions by written consent shall have the same force and effect as any other validly approved action of the Board of Trustees. Written consents shall be filed with the minutes of the proceedings of the Board of Trustees. For the purpose of this Section 5.5 only, "all members of the Board of Trustees" shall not include Trustees who have a material financial interest in a transaction to which the Association is a party. The provisions of this Section 5.5 apply also to committees of the Board of Trustees, and to action by those committees.

Section 5.6 ATTENDANCE AND VACATION OF OFFICE. The Board of Trustees shall have the right to declare vacant the office of any elected or appointed Trustee if such Trustee 1) fails to attend three (3) meetings of the Board of Trustees within a particular year or 2) fails to make required payment of dues within sixty (60) days after the same have become due and payable. Upon the Trustee's failure to attend three (3) meetings, the Trustee shall be given written notice of the Board of Trustees' intended action to declare his or her office vacant. The Trustee shall be afforded an opportunity to appear and appeal such intended action to the Board of Trustees. If a Trustee fails to attend four (4) meetings of the Board of Trustees within a particular year, the Board of Trustees may declare such office vacant, and the Board of Trustees shall have no obligation to afford the Trustee an opportunity to appeal such decision.

Section 5.7 TRUSTEE APPOINTMENTS. The President shall have the right to appoint up to three (3) additional Trustees, subject to the approval of the Board of Trustees. Two of those appointments would be from the Active Membership. The third appointment would be from the Associate Membership. Notwithstanding anything to the contrary in these Bylaws, the Associate Member Trustee, if appointed, shall have full voting rights on all Board of Trustee matters. In the event that a New Lawyer is not elected to the Board of Trustees in any given election or is not then sitting on the Board of Trustees, the President's appointments shall be subject to the provisions of Section 11.3 below. The remaining Trustees shall be elected in accordance with ARTICLE VII below.

Section 5.8 TERM OF OFFICE. Trustees appointed by the President in accordance with Section 5.7 above shall each serve until September 30 following their appointment. Other Trustees (except the Immediate Past President of the Association) shall hold office for two (2) year terms, and shall assume the duties of their office on the first day of the month immediately following certification by the Secretary of their election in accordance with Section 7.5. A Trustee may not serve more than two (2) consecutive elected two year terms of office as a Trustee in accordance with Section 7.2. Provided, however, that one or more additional Trustees may serve pursuant to the provisions of ARTICLE XV of these Bylaws, such service pursuant to ARTICLE XV shall be for a maximum two (2) year term, which limitation is subject to waiver by the Board of Trustees.

Section 5.9 VACANCIES. Except as follows, a vacancy on the Board of Trustees or any other office shall be filled by the vote of the remaining members of the Board of Trustees at any regular or special meeting of the Board of Trustees. A vacancy among the Trustees appointed by the President as provided in Section 5.7 above may be filled by the President with approval of the Board of Trustees.

Section 5.10 MEETINGS OF THE BOARD OF TRUSTEES.

- A. **ANNUAL MEETING.** The Board of Trustees shall hold an annual meeting following each annual meeting of members; provided, however, that the Board of Trustees may fix another day for the holding of its annual meeting. Such meeting shall be held at the principal office of the Association or at such other place as the Board of Trustees may from time to time designate by resolution. Such meeting shall be held for the purpose of organization and transacting regular business. Notice of annual meetings shall be in accordance with Section 5.11 below.
- B. **REGULAR MEETINGS.** Regular meetings of the Board of Trustees shall convene on a regularly scheduled basis, at least eight times a year, upon such days as voted by the Board of Trustees.
- C. **SPECIAL MEETINGS.** Special meetings of the Board of Trustees for any purpose may be called at any time by the President, or by one third (1/3) of the Trustees then in office, to be held on such date and at such time and place as shall be designated in the notice of the meeting. Notice of special meetings shall be given with four (4) days written notice of such meeting or forty-eight (48) hours if notified by telephone, or through other means of electronic communication, as new technology allows.

Section 5.11 NOTICE.

- A. **MANNER OF GIVING NOTICE.** Notice of any meeting of the Board of Trustees may be given by first-class mail, personal delivery, telephone (either directly to the Trustee or to a person at the Trustee's office who would reasonably be expected to communicate that notice promptly to the Trustee), facsimile, or electronic transmission in compliance with ARTICLE XVII below. All notices shall be given or sent to the Trustee's mailing address, telephone number, or email address as shown on the records of the Association. Notice shall not be given by electronic transmission to a Trustee if the Association is unable to deliver two consecutive notices to the Trustee by that means, or if the inability to deliver the notice becomes known to the Secretary or other person responsible for giving such notice. Notice of any meeting may be waived by any Trustee as set forth below.
- B. **TIME REQUIREMENTS.** Notice shall be deposited in the United States mail at least four (4) days in advance of the meeting if sent by first-class mail, and at least forty-eight (48) hours before the time set for the meeting if notice is given by personal delivery, telephone, facsimile, or electronic transmission.
- C. **CONTENTS OF NOTICE.** The notice shall state the time of the meeting, and the place if the place is other than the principal office of the Association. It need not specify the purpose of the meeting.
- D. **WAIVER OF NOTICE.** The transactions of any meeting of the Board of Trustees, however called and noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if: (i) a quorum is present, and (ii) either before or after the meeting, each of the Trustees not present signs a written waiver of notice, a consent to holding of the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose 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. Notice of a meeting shall also be deemed given to any Trustee who attends the meeting without protesting before or at its commencement about lack of adequate notice.

Section 5.12 ADJOURNMENT. A majority of the Trustees present, 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, unless the original meeting is adjourned for more than twenty four (24) hours, in which case notice of adjournment to another time and place shall be given before the time of the adjourned meeting to the Trustees who were not present at the time of the adjournment. This notice may be waived in the same manner as set forth under Section 5.11(D) above.

Section 5.13 MINUTES OF MEETINGS. Minutes of the proceedings of the Board of Trustees shall be taken at all meetings of the Board of Trustees and kept in a book designated for that purpose. Rules and procedures for taking minutes may be adopted by the Board of Trustees, provided that such rules do not conflict with these Bylaws.

Section 5.14 COMPENSATION OF TRUSTEES. The Board of Trustees may authorize the advance or reimbursement of actual reasonable expenses incurred by a Trustee or member of a committee or section in carrying out his or her duties. There shall be no compensation otherwise payable to any Trustee or member of a committee or section.

Section 5.15 TRUSTEE VOTING. Each Trustee shall have one vote on each matter presented to the Board of Trustees for action. No Trustee may vote by proxy, either at a meeting of the Board of Trustees or if the action is taken by unanimous written consent of the Board of Trustees. Tie votes will be determined by the President of the Association according to Robert's Rules of Order.

ARTICLE VI OFFICERS

Section 6.1 ELIGIBILITY. Only Active Members of the Association in good standing shall be eligible to hold office in the Association.

Section 6.2 OFFICES. The offices of the Association shall consist of a President, Vice President/President-Elect, Secretary, and Treasurer. In order to be elected as an Officer of the Association, an individual must have served as a member of the Board of Trustees of the Association during the year immediately preceding the Officer's election. All Officers shall serve concurrently as members of the Board of Trustees of the Association, with the exception that the President may only vote in the event of a tie.

Section 6.3 DUTIES OF OFFICERS

- A. **PRESIDENT.** It shall be the duty of the President to preside at all meetings of the Association; to appoint the committees provided for in these Bylaws and such other special committees and delegates as he or she may from time to time deem necessary, or which may be provided for by action of the Board of Trustees or the Association. He or she shall have such other duties not inconsistent with the Articles and Bylaws of the Association as are usually possessed or exercised by presiding officers. He or she shall be the chairperson of the Board of Trustees.
- B. **VICE PRESIDENT/PRESIDENT-ELECT.** It shall be the duty of the Vice President/President-Elect to preside at all meetings at which the President is absent, and he or she shall have the powers and prerogatives of the President in the event of the President's absence or inability to act. The Vice President/President-Elect shall succeed to the office of President upon expiration of the President's term of office.
- C. **SECRETARY.** It shall be the duty of the Secretary to keep a record of the proceedings of all meetings of the Association, of the Board of Trustees, and all other matters of which a record shall be ordered by the Board of Trustees. He or she shall notify the Officers and all members of committees of the election or appointment and shall issue notices of all meetings, keep a record of the name and office address of all members showing the date when they became members and of the cause and date of termination of the membership of persons as shall cease to be members.
- D. **TREASURER.** The Treasurer shall collect and take charge of, and under the direction of the Board of Trustees shall disburse all funds of the Association; and his or her records and books shall be open to inspection of any member of the Board of Trustees at all times. The Treasurer shall make a full written report within ten days of the close of the fiscal year of the Association. The accounts shall be audited by

a certified public accountant under the supervision of the Board of Trustees at such times as the Board of Trustees deems appropriate.

Section 6.4 TERM OF OFFICE. All Officers shall assume the duties of their office on the first day of the month immediately following certification by the Secretary of their election in accordance with Section 7.5, and shall serve for one calendar year therefrom. Any Officer may resign at any time by giving written notice to the Board of Trustees, the President, or the Secretary of the Association. Any resignation shall take effect at the date of receipt of that notice or at any later time specified in that notice. Unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the Association under any contract to which the Officer is a party. A vacancy occurring in any office because of death, resignation, removal or other cause, shall be filled from the Board of Trustees for the unexpired term, by a majority vote of the Board of Trustees.

Section 6.5 EXECUTIVE DIRECTOR. The Executive Director is the chief administrative officer of the Association and shall be selected by and serve at the pleasure of the Board of Trustees. The Executive Director shall be guided by policies established by the Board of Trustees and shall have direct charge of all administrative and staff operations. The Executive Director shall report to the Executive Committee of the Board of Trustees of the Association. The Executive Director recommends and participates in formulation of Association goals, objectives, and policies. The Executive Director serves as an ex officio member of the Board of Trustees, the Executive Committee of the Board of Trustees, and all committees and sections of the Association.

ARTICLE VII ELECTIONS

Section 7.1 ELECTION DAY. The Association shall hold an annual election of Officers and Trustees of the Association, which shall be completed by September 10 of each year, which day is hereby declared to be the Election Day, unless the same falls on Saturday, Sunday, or holiday, in which event, the last preceding business day shall be the Election Day.

Section 7.2 NOMINATING COMMITTEE. The Nominating Committee shall be composed of eight (8) members: The President, Immediate Past President, Vice President/President-Elect and five (5) members in good standing of the Association. These five members shall be elected by the Board of Trustees. Of the five members selected by the Board of Trustees, no more than two members of the Nominating Committee are to be Trustees who still have one year remaining on their term of office. No other Officers shall serve on the Nominating Committee. The Chair of the Nominating Committee shall be the Immediate Past President.

It shall be the duty of the Nominating Committee to establish rules and procedures for the nomination of candidates, and the conduct of elections. The Nominating Committee shall meet prior to June 1 of each year and shall elect its own secretary. The Nominating Committee shall nominate one or more Active Members of the Association for each of the offices of President-Elect, Secretary, Treasurer, but not more than two (2) people for each of these offices, and shall automatically nominate the current President-Elect only for the office of President, and shall nominate not less than nine (9) or more than twelve (12) Active Members of the Association for the positions of Trustees to be filled at the election. No member of the Nominating Committee shall be nominated for any office or for a Trustee position. No person may be nominated for the position of Trustee who is currently completing his or her second consecutive elected term of office. However, a person may be nominated who has previously served two (2) consecutive elected terms as Trustee and who has not served as a Trustee for an intervening period of at least one year. For purposes of this Section 7.2, "term of office" shall not include completing by appointment an unexpired term of office created by the resignation, or incapacitation, of a Trustee.

The report of the Nominating Committee, signed by the Chairperson and Secretary, stating the names of the persons nominated shall be forwarded to the Secretary of the Association not later than June 10 of each year. The report of the Nominating Committee shall be mailed to each Active Member of the Association by the following July 1, or such report shall be published in any bulletin or publication of the Association prior to July 1. If the report is mailed to the Active Members by July 1, no separate report need be given.

Section 7.3 ADDITIONAL NOMINATIONS. Additional nominations for any office, except that of President or President-Elect, or for the position of Trustee may be made by filing with the Secretary of the Association at any time on or before July 25 a written nomination signed by at least twenty (20) Active Members of the Association in good standing.

Section 7.4 BALLOTS. A notice of election containing the method and date of the distribution of ballots shall be published in all official publications of the Association by July 1 each year. If ballots are to be sent via electronic mail, the notice shall include instructions for an Active Member to request a ballot to be sent by United States Post Office instead of electronic mail. Regardless of the method of distribution, ballots shall be mailed (as defined in ARTICLE XVII below) to the members by August 25 each year. Each Active Member may vote by physically returning the ballot to the office of the Association or by electronic means. The ballot shall contain the names of the nominees for each office and Trustee position in alphabetical order. Except as herein provided, the ballot shall be of such form and shall contain such instructions as may be prescribed by the Board of Trustees. Incumbents shall be designated as such on the ballot. The Committee's nominees shall be designated as "Committee Nominee" on the ballot. Each Active Member shall be entitled to one vote for each Officer and for each position of Trustee to be filled at the election. No write-in votes shall be counted. The Election Committee, in accordance with the instructions furnished with each ballot, shall refuse to count ballots not received by 5:00 p.m. on the Election Day, at which time the voting shall cease.

Section 7.5 VOTE COUNTING. Immediately upon the closing of the balloting the votes shall be counted by the persons designated to perform that function by the President of the Association (the Election Committee) provided no person shall serve in such function who is a nominee for any office on the ballot. Vote tabulation may be performed through either manual or computerized counting. Computerized counting, if utilized, shall be performed through use of electronic software approved in advance by the Board of Trustees for use in any vote tabulation process. Manual tabulation remains optional if the circumstances so warrant, such as the need for a recount. The results of the election shall be certified to the President in writing by the Secretary within 96 hours of the conclusion of the counting of the ballots, and in no event later than the last day of September.

Section 7.6 VOTES NEEDED TO ELECT. Only a plurality of votes cast, verified and acknowledged in accordance with Section 7.5, shall be required to elect a candidate, provided that where there are more than three candidates for an office (not including the Board of Trustees) and no candidate receives a majority of the vote, there shall be runoff elections between the two candidates receiving the highest number of votes; which election shall be conducted under the provisions of this Article. The nominee who receives the greatest number of votes for the position of Trustee shall be declared elected. In case of a tie vote for any office or for any position of Trustee, a ballot shall be taken at the next regular monthly meeting of the Board of Trustees as between tying nominees and the one receiving the greatest number of votes shall be declared elected. A Trustee may not vote for himself or herself in the event of a tie.

Section 7.7 PERMISSIBLE SOLICITATION. Unless otherwise prohibited by an election guideline, there shall be no restrictions imposed on the solicitation of support for a candidate from the members of the Association, nor any restrictions on the means by which a candidate chooses to publicize his or her candidacy among the members of the Association. Within a reasonable time prior to any election, the Board of Trustees may distribute to each member of this Association an Election Pamphlet containing biographical data concerning each candidate. Such data shall be supplied by each candidate desiring to have same distributed, and

the subjects on which the candidate is invited to supply information shall be the same for each candidate. The Executive Director shall set the cost of space within the pamphlet. The Board of Trustees may promulgate election guidelines.

ARTICLE VIII SPECIAL APPOINTMENTS AND DELEGATES

Section 8.1 TRUSTEE APPOINTMENT TO LOS ANGELES COUNTY BAR ASSOCIATION. During the period within which the Association is entitled to appoint a Trustee of the Los Angeles County Bar Association, the Immediate Past President shall be deemed appointed as such Trustee, to serve for a period of one (1) year, commencing with his or her appointment; provided, however, that if such Officer shall determine not to accept such appointment, the President of the Association shall appoint such Trustee from any of the remaining Officers of the Association. If none of the Officers of the Association accept such appointment, the President may appoint such Trustee from the Association's Trustees.

Section 8.2 CONFERENCE OF DELEGATES. Resolutions on proposed legislation are prepared and presented by the Association's Delegation to the Conference of California Bar Associations. Upon the preparation of such resolutions, the Delegation shall notify the Executive Committee of the existence of such resolutions. The Executive Committee or the Board of Trustees shall have the right, but not the obligation, to comment on any or all of the resolutions and advise the Delegation of the Board of Trustees' position, if any, as to such resolutions. To the extent that the Board of Trustees takes a position as to any resolution, the Delegation shall state such position as the official position of the Association. The position of the Association on such matters may be established by a majority vote of the Board of Trustees.

Section 8.3 APPOINTMENT OF ABA DELEGATE. During the period within which the Association is entitled to appoint a Delegate to the American Bar Association, the Executive Committee shall nominate a member to serve for a two-year period as specified by the ABA. The Executive Committee shall also nominate an alternate. The recommendation of the Executive Committee shall be presented to the Board of Trustees for approval. The Delegate shall provide the Executive Committee with any resolutions about which the Delegate may have an opportunity to vote. The Executive Committee and the Board of Trustees shall have the right, but not the obligation, to comment on any or all of the resolutions and advise the Delegate of the Board of Trustees' position, if any, as to such resolutions. To the extent that the Board of Trustees takes a position as to any resolutions, the Delegate shall state such position as the official position of the Association. The position of the Association on such matters may be established by a majority vote of the Board of Trustees.

ARTICLE IX COMMITTEES & SECTIONS

Section 9.1 STANDING COMMITTEES. The Association shall have such standing committees as may be determined from time to time by the Board of Trustees. The chairpersons and other officials of each such committee and the members thereof shall be appointed by the President. The President shall appoint officials and members of all standing committees as soon as practicable after the annual election of Officers; all such appointees shall serve from the time of their appointment until the annual meeting next after their appointment or until their successors are appointed. The President shall have the power to fill vacancies in any standing committees. Any such committee, to the extent authorized by the Board of Trustees, may have all or a portion of the authority of the Board of Trustees, except that no committee, regardless of a resolution by the Board of Trustees, may:

- A. Fill vacancies on the Board of Trustees or on any committee;

- B. Establish or fix compensation of the Trustees for serving on the Board of Trustees or on any committee;
- C. Amend or repeal the Articles of Incorporation or Bylaws or adopt new Bylaws;
- D. Amend or repeal any resolution of the Board of Trustees;
- E. Create any other committees of the Board of Trustees or appoint the members of any committees of the Board of Trustees;
- F. Expend corporate funds to support a nominee for Trustee after there are more people nominated for Trustee than can be elected; or
- G. Approve any transaction (i) between the Association and one or more of its Trustees or (ii) between the Association and any entity in which one or more of its Trustees have a material financial interest.

Section 9.2 SPECIAL COMMITTEES. Special Committees formed to consider and act upon any particular matter, may be established from time to time 1) by action of the President, or 2) by action of the Board of Trustees, or 3) by action of the members of the Association. The President shall appoint the officials and members of any such special committees as soon as practicable after the formation of such committee is authorized; and all such appointees shall serve the time of their appointment until the work of the committee is concluded or until the annual meeting next after their appointment, or until their successors are appointed, whichever occurs first. The President shall have the power to fill vacancies on any special committee. Any special committee shall continue in existence so long as necessary to consider and act upon the particular matter for which it was formed, or until earlier dissolution by action of the President, Board of Trustees, or members of the Association, whichever is the originating source of the special committee.

Section 9.3 EXECUTIVE COMMITTEE. There shall be an Executive Committee consisting of the President, Vice President/President-Elect, Treasurer, Secretary, and Immediate Past President. The Executive Committee, unless limited by a resolution of the Board of Trustees, shall have and may exercise all the authority of the Board of Trustees in the management of the business and affairs of the Association between meetings of the Board of Trustees; provided, however, that the Executive Committee shall act in accordance with the generally established policies and procedures of the Association, and it shall not have the authority of the Board of Trustees in reference to those matters enumerated in Section 9.1 (A) through (G), inclusive, above. The actions of the Executive Committee shall be reported in writing to the Board of Trustees. All decisions by the Executive Committee of major significance, including all decisions involving the expenditure of more than \$5,000, shall be submitted to the Board of Trustees for ratification at its next meeting. Notwithstanding the above, any member of the Executive Committee may request that any action of the Committee be submitted to the Board of Trustees for ratification. If an Executive Committee member requests ratification by the Board of Trustees, the action of the Executive Committee shall not become final until it is ratified. A majority of the Executive Committee shall constitute a quorum for the transaction of business. A majority vote of Executive Committee members present at a duly held Executive Committee meeting shall be required to execute any act of the Executive Committee. The Executive Committee shall meet monthly prior to the monthly Board of Trustees meeting.

Section 9.4 ATTORNEY REFERRAL SERVICE. The Association owns and is responsible for overseeing the operations of the Attorney Referral Service (“ARS”). The ARS shall be administered by the ARS Committee, which shall oversee the operation of the ARS in accordance with the Minimum Standards of the State Bar of California and the Statement of Rules of Operations adopted by the Board of Trustees.

- A. The President shall appoint annually the Chair of the ARS Committee. The Committee shall consist of eleven (11) persons who shall be appointed as follows: the President shall appoint six (6) members who are Active Members, at least one of whom shall be from the Board of Trustees, and one Associate

Member, for a total of seven (7) appointees by the President; and the Chair of the Committee shall appoint four (4) members who are Active Members. The Chair may designate a Vice Chair.

- B. At least ninety percent (90%) of the Committee shall be active members of the State Bar of California, and at least 50% of the Committee shall not receive referrals from the ARS. Members of the Committee shall be selected, to the extent possible, to fairly represent the diverse composition of the Association, considering factors such as cultural background, geographic locale, gender, practice area, and practice size.
- C. The ARS shall be managed by a staff director who shall keep the ARS Committee, Executive Director, Executive Committee and Board of Trustees fully informed regarding the operations and finances of the ARS.
- D. All appropriations of the ARS shall be made in accordance with the State Bar Rules of Operation, including those set forth at Title 3, Division 5, Chapter 3 pertaining to Lawyer Referral Services. ARS unbudgeted appropriations in excess of \$10,000 shall require approval of the Board of Trustees of the Association.

Section 9.5 SECTIONS. The President of the Association, Board of Trustees, or the Association at its annual meeting may establish such sections for the educational advancement of the members of the Association as are deemed appropriate.

- A. Except as membership in the section may be restricted under a rule enacted by the section and approved by the Board of Trustees, any member of the Association shall be eligible for membership in one or more sections of the Association, any may become a member upon filing of an appropriate application and the payment of section dues, if any.
- B. Each section shall have a chairperson who shall be appointed annually by the President of the Association. Each section may annually elect a vice-chairperson, secretary and such other officers and subcommittees, as they deem appropriate, subject to confirmation by the Board of Trustees. The Chairperson shall serve as the liaison to the Board of Trustees and shall report periodically to the Board of Trustees. Any officer or member of a section must be member of the Association.
- C. The Board of Trustees shall have the authority to fix dues for membership in a section or sections and shall establish rules and regulations for the collection of such dues. All such dues and other funds, if any, collected from a section shall be deposited with the Association's Treasurer to the credit of the Association and may be drawn upon and expended as may be directed by the Board of Trustees.
- D. **Representation of the Association.** Recognizing that there may be a need for sections to express their public positions promptly within the guidelines provided by these Bylaws, and recognizing also the need to avoid conflicting statements by sections, the Board of Trustees has adopted the following policy relating to public statements by sections. For the purposes of this policy, "public statements" shall be defined as any public statement or statement likely to be communicated beyond the membership of the Association. To that end, the Board of Trustees adopts the following policy.

A section shall be authorized to make a public statement on proposed legislation, an amicus curiae brief, or a ballot initiative, that such section believes is important and affects the members of such section so long as 1) the section makes it clear and conspicuous that such public statement is on behalf of the section only, not the entire Association, and 2) the President of the Association has been given an opportunity to review and authorize such public statement. The section shall give the President five (5) business days' notice of the public statement that it would like to make. To the extent that such public statement requires immediate action and the section can demonstrate such urgency to the President, the

President, in those circumstances only, need only be given two (2) business days to review and authorize such public statement. It shall be the responsibility of each section seeking to make any such public statement to ensure delivery of the requested public statement by email, fax, mail or personal delivery to the President. The section shall be required to call the President concurrently with delivery to advise the President that a request has been submitted. A section shall copy any and all requests to the Executive Director.

With any such request, the section shall provide the President (and the Executive Director) with any letter that the section is seeking to adopt or a summary of any brief that the section is seeking to support. In addition, the section shall be required to present a brief synopsis, a brief review of any relevant case citation, and a brief discussion of any existing contrary public statement, assuming one exists. The President, or his or her designee, shall then have the relevant time periods above to review and authorize the section to make the requested public statement. In his or her discretion, the President may bring the request to either the Executive Committee or the Board of Trustees.

If the President, or his or her designee, fails to respond in the relevant time period to any such request, the section shall be entitled to make the requested public statement as if it were so authorized by the President or his or her designee.

- E. **Board of Trustees Approval.** Nothing in this ARTICLE IX shall be deemed to create or confer any power or right upon a section or committee not expressly provided for by these Bylaws. For example, except as otherwise provided for in these Bylaws, without prior approval of the Board of Trustees, a section or committee shall not: (i) levy or collect any dues or membership fees; (ii) purport to represent the Association or the Board of Trustees; (iii) take or espouse any position that is in conflict with that of the Association or the Board of Trustees; or (iv) enter into any contract.

ARTICLE X SUSPENSIONS OR EXPULSIONS

Section 10.1 AUTHORITY TO SUSPEND OR EXPEL. The power to suspend or expel members of the Association, or any Officer or Trustee, shall be vested in the Board of Trustees. This ARTICLE X shall not apply to employees of the Association.

Section 10.2 GROUNDS. Subject to the procedures set forth in Section 10.3 below, any member, Officer or Trustee may be suspended or expelled by the Board of Trustees for any violation of the Governance and Code of Ethics of the Association or for any other good cause. In addition, the Board of Trustees shall have the right to declare vacant the office of any elected or appointed Trustee in accordance with Section 5.6 above.

Section 10.3 PROCEDURES. A member, Officer, or Trustee subject to suspension or expulsion pursuant to Section 10.2 above shall be afforded a hearing before the Board of Trustees. Written notice of such hearing shall be given to such member, Officer, or Trustee at least 30 days prior to the hearing. For purposes of this Section 10.3, the written notice shall include a statement of the charges filed against the member, Officer, or Trustee, with a notice of date, time, and place of hearing on such charges. At such hearing the member, Officer, or Trustee, shall be given the opportunity to be heard, to be represented by counsel, and to present evidence in answer to such charges. Such member, Officer, or Trustee may be suspended or expelled after the hearing by the affirmative vote of at least two-thirds of the members of the Board of Trustees. There shall be no right to appeal the decision of the Board of Trustees.

Section 10.4 DISBARMENT. The disbarment or suspension from the practice of law of any member of the Association shall ipso facto terminate his or her membership in the Association during the period of disbarment or suspension, after which period he or she may be reinstated by the Board of Trustees.

Section 10.5 TERMINATION OF MEMBERSHIP. A membership shall terminate on occurrence of any of the following events:

- A. Resignation of the member may be made on reasonable notice to the Association, in writing to the Secretary;
- B. Occurrence of any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or
- C. Failure of the member to pay dues or fees as set by the Board of Trustees within the period of time set by the Board of Trustees after they become due and payable.

ARTICLE XI NEW LAWYERS SECTION

Section 11.1 ESTABLISHMENT. The Association shall establish and maintain a division for lawyers who have been admitted to the practice of law for six (6) years or less. This division shall be known as the New Lawyers Section of the San Fernando Valley Bar Association.

Section 11.2 MEMBERSHIP. Only a member in good standing of the Association who has been admitted to the practice of law for six (6) years or less shall be eligible for membership in the New Lawyers Section. The Board of Trustees shall retain the exclusive right to set any additional fees or dues for membership in the New Lawyers Section.

Section 11.3 TRUSTEE'S SEAT. The New Lawyers Section shall have one seat on the Board of Trustees upon certification by the Association that the division has 100 or more active members currently enrolled in the division. Certification by the Association shall be presented at the last meeting of the Board of Trustees of each fiscal year.

Section 11.4 MISCELLANEOUS. Nothing contained in the provisions of this ARTICLE XI shall be constructed as creating, authorizing or recognizing a separate or independent or autonomous entity apart from the Association. All title, interest and rights in the trade name and mark, "San Fernando Valley Bar Association New Lawyers Section," shall be retained by the Association.

ARTICLE XII GOVERNANCE AND CODE OF ETHICS

The code of conduct and ethics of this Association shall be (i) those rules of conduct pertaining to attorneys as shall be established by the statutes and rules of professional conduct of the State Bar of California; (ii) insofar as permitted by law, the Canons of Professional Ethics of the American Bar Association, and (iii) the Governance and Code of Ethics policy adopted by the Board of Trustees.

ARTICLE XIII AMENDMENTS

These Bylaws may be amended by the affirmative vote of a majority of the members of the Board of Trustees present and voting at any meeting thereof provided that a quorum is present at such meeting and that notice of the proposed amendment shall have been given by mail at least ten (10) days before the meeting at which the amendment is offered for voting.

The following types of Bylaw changes require membership approval:

- A. Changing the minimum or maximum numbers of Trustees;

- B. Changing membership classifications;
- C. Changing from a variable to a fixed number of Trustees;
- D. Increasing the length of Trustee's term;
- E. Providing for the selection of Trustees by designation;
- F. Changing the number necessary for a quorum at membership meetings;
- G. Creating or changing proxy rights;
- H. A change that would materially and adversely affect the rights of members; or
- I. Any other change that, under applicable law, requires membership action.

ARTICLE XIV INDEMNIFICATION AND INSURANCE

Section 14.1 RIGHT OF INDEMNIFICATION. The Association shall reimburse, indemnify and hold harmless each Officer, Trustee, and employee of the Association and may reimburse, indemnify and hold harmless agents of the Association (as defined in §7237 of the California Corporations Code) from and against all claims, liabilities, fines, costs, judgments, fees, settlements, expenses and other amounts actually and reasonably incurred in connection with any "proceeding," as that term is used in such section and including any action by or in the right of the Association, by reason of the fact that such person is or was a person described by such section. "Expenses," as used in these Bylaws, shall have the same meaning as in §5238(a) of the California Corporation Code. Such right of indemnification shall be to the full extent allowable and in the manner provided by the California Corporations Code as it may from time to time be amended. The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled, and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such person.

Section 14.2 APPROVAL OF INDEMNITY. Upon written request to the Board of Trustees by any person seeking indemnification under §7237(b) or §7237(c) of the California Corporation Code, the Board of Trustees shall promptly determine in accordance with §7237(e) of the Code whether the applicable standard of conduct set forth in §7237(b) or §7237(c) has been met and, if so, the Board of Trustees shall authorize indemnification. If the Board of Trustees cannot authorize indemnification because the number of Trustees who are parties to the proceeding with respect to which indemnification is sought is such as to prevent the formation of a quorum of Trustees who are not parties to such proceeding, the Board of Trustees shall promptly call a meeting of members. At that meeting, the members shall determine under Corporations Code §7237(e) whether the applicable standard of conduct set forth in §7237(b) or §7237(c) has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

Section 14.3 ADVANCEMENT OF EXPENSES. To the full extent permitted by law and except as is otherwise determined by the Board of Trustees in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the Association prior to the final disposition of the proceeding upon receipt by the Association of an undertaking by or on behalf of such person that the advance will be repaid unless it is ultimately determined that such person is entitled to be indemnified by the Association therefor. "Expenses," as used in these Bylaws, shall have the same meaning as in §7237(a) of the California Corporations Code.

Section 14.4 PURCHASE OF INSURANCE. The Association is authorized to purchase insurance for its Officers, Trustees, and employees, and agents protecting them against liabilities and expenses described herein, and the limitation on the payment of indemnification set forth above shall not apply to limit the conditions

under which an amount of insurance proceeds may be paid to an Officer, Trustee, employee, or agent; provided, however, that the Association shall have no power to purchase and maintain such insurance to indemnify any Trustee, Officer, employee or agent of the Association for any self-dealing transaction, as described in Corporations Code §5233.

ARTICLE XV AFFILIATE ASSOCIATIONS

Section 15.1 OTHER ASSOCIATIONS. Other bar associations which meet the qualifications listed below may affiliate with this Association by filing an application, and by obtaining approval of the Board of Trustees of this Association. There shall be three classes of affiliate associations as follows. Non-voting affiliate associations shall be entitled to have a non-voting seat on the Board of Trustees. Voting affiliate associations shall be entitled to have one voting seat on the Board of Trustees. Partner affiliates shall have the rights and benefits hereinafter set forth, but shall not be entitled to a seat on the Board of Trustees.

Section 15.2 QUALIFICATIONS. Associations meeting the following qualifications shall be eligible to be Affiliated Bar Associations (“Affiliated Associations”):

- A. Such association shall have a total membership of at least twenty-five (25) persons, not less than twenty percent (20%) of such members shall also be members of this Association at the time of the application.
- B. Such Association shall have been in continuous existence and actively conducting association business for one calendar year immediately prior to the application for affiliation;
- C. Such Association shall be geographically based in an area of interest to and/or impact upon the San Fernando Valley, or a part thereof; and
- D. Such Association shall be interested in legal matters generally, without limitation to a particular branch or subdivision of the law, provided, however, that the Board of Trustees, for good cause shown, may waive the requirement, but only if the Board of Trustees finds: (i) That the affiliation of such Association will not adversely affect any existing section or committee of the Association; and (ii) That it is not in the best interests of the Association to create a section or committee covering the same branch or subdivision of the law as such Association.

Section 15.3 VOTING AFFILIATES. Associations meeting the following qualifications shall be eligible to be voting affiliated Bar Associations:

- A. Associations meeting the qualifications of Section 15.2 and having 100 or more members, thirty percent (30%) of whom are also members of this Association at the time of the application. Affiliate Associations shall have one voting seat on the Board of Trustees upon certification by the Association that the affiliate has 100 or more active members. Certification by the Association shall be determined at the last meeting of the Board of Trustees of each fiscal year. In all events, the person holding the Affiliate Association seat on the Board of Trustees shall be a Member of the Association.
- B. In an instance wherein an Affiliate Association holds a seat on the Board of Trustees of the Association, the Association shall be entitled to hold a seat on the governing body of the Affiliate Association. The Affiliate Association shall make such seat a voting seat available if the Affiliate Association has a voting seat on the Association's Board of Trustees. In the event the Affiliate Association does not make such a seat a voting seat, then the seat such Affiliate Association holds on the Board of Trustees shall be non-voting.

Section 15.4 PARTNER AFFILIATES. In the event that other associations wish to share resources, ideas, co-sponsor events, or otherwise act in concert with SFVBA, but do not meet the criteria of Sections 15.1 and 15.2

herein, then, at the discretion of the Executive Committee, they may be Partner Affiliates. A request to become a Partner Affiliate shall be made to the Executive Director or President who shall refer it to the Executive Committee for review and approval. The Executive Committee shall have the authority to establish the terms and conditions, and duration of a Partner Affiliate.

Section 15.5 APPLICATION FOR AFFILIATION. An application for affiliation shall be submitted to the Executive Director of this Association with a list of the applicant's members at the time of application for affiliation and a list of such members during the applicant's fiscal year prior to the time of application for affiliation; evidence that the applicant meets the requirements of Section 15.2(A), (B), (C) and (D) above; and such other information as may be required by the Association. The Executive Director of the Association shall inform the Board of Trustees of the Association of the applicant's compliance with Section 15.2.

Section 15.6 ANNUAL VERIFICATION OF AFFILIATED STATUS. Whether the Affiliated Associations continue to qualify as such shall be determined each year.

ARTICLE XVI TIME OF TAKING EFFECT

These Bylaws, as now amended, shall take effect immediately upon their adoption.

ARTICLE XVII NOTICE: ELECTRONIC TRANSMISSION

The term "mail," as used in these Bylaws, shall include, but not be limited to, mail through the United States Postal Service, email, facsimile transmission, or such other means by which notice is reasonably expected to be received. Communications shall be sent to the most recent address of record, email address, or facsimile provided by the member. Communication thus sent shall be presumed to have been received.

Subject to any guidelines and procedures that the Board of Trustees may adopt from time to time, the terms "written," and "in writing" as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means and may include electronic transmission, such as facsimile or email, provided that the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

ARTICLE XVIII RECORDS AND REPORTS

Section 18.1 MAINTENANCE OF ARTICLES AND BYLAWS. The Association shall keep at its principal office the original or a copy of its Articles of Incorporation and Bylaws, as amended to date, which shall be open to inspection by the members at all reasonable times during office hours.

Section 18.2 MAINTENANCE OF OTHER CORPORATE RECORDS. The Association shall keep:

- A. Adequate and correct books and records of account;
- B. Minutes in written form of the proceedings of the Board of Trustees; and
- C. If applicable, a record of its members, giving their names and addresses and the class of membership held.

The accounting books, records, and minutes of the proceedings of the Board of Trustees and any committee(s) of the Board of Trustees shall be kept at such place or places designated by the Board of Trustees, or, in the absence of such designation, at the principal office of the Association. The minutes shall be kept in written or

typed form, and the accounting books and records shall be kept in either written or typed form or in any other form capable of being converted into written, typed, or printed form.

Section 18.3 INSPECTION RIGHTS.

- A. **INSPECTION BY ACTIVE MEMBERS.** Unless the Association provides a reasonable alternative as provided below, any Active Member may do either or both of the following for a purpose reasonably related to the member's interest as a member:
- i. Inspect and copy the records containing members' names, addresses, and voting rights during usual business hours on five (5) days' prior written demand on the Association, which must state the purpose for which the inspection rights are requested; or
 - ii. Obtain from the Secretary of the Association, on written demand and tender of a reasonable charge, a list of names, addresses and voting rights of members who are entitled to vote for Trustees as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the member on or before the later of ten (10) days after the demand is received or the date specified in the demand as the date as of which the list is to be compiled.

The Association may, within ten (10) business days after receiving a demand under this Section 18.3, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons the proposed alternative does not meet the proper purpose of the demand.

If the Association reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this Section 18.3, it may deny the member access to the membership list.

Any inspection and copying under this Section 18.3 may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts. The right of inspection extends to the records of any subsidiary of the Association. All reasonable fees and costs associated with said copying shall be paid for by the requesting member in advance of delivery to said member.

- B. **ACCOUNTING RECORDS AND MINUTES.** On written demand presented to the Association, any Active Member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the members, the Board of Trustees, and committees of the Board of Trustees at any reasonable time for a purpose reasonably related to the member's interest as a member. Any such inspection and copying may be made in person or by the member's agent or attorney. Any right of inspection extends to the records of any subsidiary of the Association. Except as permitted by law, all such information shall be retained as strictly confidential and shall not be released to anyone without the prior written consent of the Board of Trustees.
- C. **INSPECTION BY TRUSTEES.** Every acting Trustee shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the Association and the records of each of its subsidiary entities, provided that such Trustee shall not have the right to inspect those books, records, or documents made privileged or confidential by law. This inspection by a Trustee may be made in person or by an agent or attorney of the Trustee, and the right of inspection includes the right to copy and make extracts of documents. Except as permitted by law, all

such information shall be retained as strictly confidential and shall not be released to anyone without the prior written consent of the Board of Trustees.

Section 18.4 ANNUAL REPORT. Not later than one hundred twenty (120) days after the close of the fiscal year of the Association, the Board of Trustees shall furnish or cause to be furnished a written annual report to all Trustees. Such report may be furnished to the Trustees by electronic transmission in accordance with ARTICLE XVII of these Bylaws. The Association shall notify each member yearly of the member's right to receive a financial report pursuant to this subdivision. Except as provided for below in this Section 18.4, upon written request of a member, the Board of Trustees shall promptly cause the most recent annual report to be sent to the requesting member. The annual report shall contain the following information in reasonable detail:

- A. A balance sheet as of the end of that fiscal year and an income statement and a statement of cash flows for that fiscal year;
- B. A statement of the place where the names and addresses of the current members are located;
- C. Any information required by §8322 of the California Corporations Code; and
- D. Any information required by Section 18.5 below.

The report shall be accompanied by any report thereon of independent accountants, or, if there is no report, the certificate of an authorized Officer of the Association that the statements were prepared without audit from the books and records of the Association. This requirement of an annual report shall not apply if the Association receives less than \$10,000 in gross receipts during the fiscal year. The Association shall annually notify each member of the member's right to receive a copy of the financial report under this Section 18.5.

Section 18.5 ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS.

As part of the annual report, or as a separate document if no annual report is issued, the Association shall annually prepare and mail or deliver to each member and furnish to each Trustee a statement of any transaction or indemnification of the following kind within one hundred twenty (120) days after the end of the fiscal year of the Association:

- A. Unless approved by members under Corporations Code §7233(a), any transaction (a) to which the Association, its parent, or its subsidiary was a party, (b) which involved more than \$50,000 or was of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (c) in which either of the following interested persons had a direct or indirect material financial interest (a mere common trustee/directorship is not a material financial interest): (i) Any Trustee or Officer of the Association, its parent, or its subsidiary; or (ii) Any holder of more than ten percent (10%) of the voting power of the Association, its parent, or its subsidiary.

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Association, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest or the partnership need be stated.

- B. Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Trustee of the Association under ARTICLE XIV of these Bylaws, unless that indemnification has already been approved by the members under Corporations Code §5034, or the loan or guarantee is not subject to Corporations Code §7235(a).

**ARTICLE XIX
CONTRACTS AND LOANS WITH TRUSTEES AND OFFICERS**

Section 19.1 CONTRACTS WITH TRUSTEES AND OFFICERS. No Trustee or Officer of the Association, nor any other corporation, firm, association, or other entity in which one or more of this Association's Trustees or Officers are Directors/Trustees or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Association, unless: (i) the material facts regarding such Trustee's or Officer's financial interest in such contract or transaction and/or regarding such common trustee/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 of Trustees prior to consideration by the Board of Trustees of such contract or transaction; and (ii) such contract or transaction is authorized in good faith by a majority of the Board of Trustees then in office by a vote sufficient for that purpose without counting the vote or votes of such interested Trustee(s).

Section 19.2 LOANS TO TRUSTEES AND OFFICERS. This Association shall not lend any money or property to, or guarantee the obligation of, any Trustee or Officer or the Association unless 1) the Board of Trustees decides that the loan or guaranty may reasonably be expected to benefit the Association, and 2) before consummating the transaction or any part of it, the loan or guaranty is approved by either the members, without counting the vote of the Trustee or Officer, if a member, or the vote of a majority of the Trustees then in office, without counting the vote of the Trustee who is to receive the loan or guaranty.

**ARTICLE XX
FISCAL YEAR**

The fiscal year of the Association shall begin on October 1 and end on September 30, unless otherwise determined by resolution of the Board of Trustees.

**ARTICLE XXI
CONSTRUCTION AND DEFINITIONS**

Unless the context otherwise requires, the general provisions, rules of construction and definitions in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular includes the plural and the plural includes the singular, and the term "person" includes both a legal entity and a natural person. For the purpose of these Bylaws, "Board of Trustees" or "Board" refers to the Board of Trustees of the Association, unless otherwise specifically indicated.