

By-Laws

Franklin Hills Residents Association

Adopted October 2, 1989

Amended: 1990, 1991, 1992, 1995, 2002, 2003, 2012

Article I - Name

The name of this organization shall be the Franklin Hills Residents Association (the Association).

Article 2- Boundaries

The boundaries of the Association shall be defined as follows:

- From the intersection of Talmadge Street and Fountain Avenue, north to the intersection with Tracy Street;
- East and southeast on Tracy Street to the intersection with Hyperion Avenue;
- Southwest on Hyperion Avenue to the intersection of Fountain Avenue;
- West on Fountain Avenue to the intersection with Talmadge Street

The Board of Directors may adjust the Association's boundaries subject to the approval of a majority of voting members present and voting at the Annual Meeting.

Article 3 - Purpose and Objectives

Section 3.1 Purpose. This Association is organized and operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. This Association is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Law for public purposes.

Section 3.2 Objective. The specific purpose of this Association is to improve the community and the quality of life and promote the common good and general welfare of the people in the Franklin Hills neighborhood as defined by the Association boundaries, and surrounding areas.

ARTICLE 4 – Office

The principal office for the transaction of the business of the Association may be established at any place or places within the City of Los Angeles by resolution of the Board.

Article 5 – Membership

Section 5.1 **Member Categories.** The members of this organization shall consist of three types of members: (a) Individual; (b) Organizational, and (c) Associate.

Section 5.2 **Member Qualifications.**

Section 5.2 1 **Qualifications.** The qualifications for the three types of members are as follows:

- a) Individual Member: Any adult residing or owning property within the boundaries of the Association may be an individual member.
- b) Organizational: Any association, society, professional institute, corporation, government agency, estate or business may be an Organizational member.
- c) Associate: Any adult individual interested in furthering the objectives of the Association may be an Associate Member.

Section 5.2 2 **Eligibility.** A member who has not paid dues within one year of the date of the Annual Meeting will be delinquent and not in good standing. Directors and officers of the Association shall remain current in their dues during their term of service.

Section 5.3 **Member Voting Rights.**

- a) Individual Members shall have one vote each. Only members current in their dues shall be eligible to vote.
- b) Organizational and Associate Members shall not be entitled to vote.

Article 6 - Board of Directors

Section 6.1 **Powers and Duties of the Board.** The business and affairs of the Franklin Hills Residents Association shall be directed by the Board of Directors. The duties of the Board of Directors shall include but not be limited to the following:

- a) To manage the affairs of the Association
- b) To meet regularly.
- c) To call and conduct General Meetings of the Association.
- d) To collect and manage the funds of the Association.
- e) To conduct the elections of the Association.

Section 6.2 **Number and Qualifications.** The Board of Directors shall consist of eleven (11) Individual Members of the Association. Any Individual Member of the Association in good standing who has been a member for six months or more is eligible to serve on the Board of Directors. Any Board member wishing to run for a subsequent term shall have attended at least half of the Board meetings held during his or her term of office but may be excused by a majority vote of the Board.

Section 6.3 Terms and Election of Successors. Directors shall be elected by the membership at the annual meeting of the Association. Five Board members shall be elected to serve a two-year term in each even-numbered year; six Board members shall be elected to serve a two-year term in each odd-numbered year. Each Director, including a

Director elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that Director's earlier resignation or removal in accordance with these Bylaws.

Section 6.4 **Meetings.** The newly elected Board of Directors shall meet within six weeks of the Annual Meeting. Thereafter, the Board of Directors shall meet at least quarterly.

Section 6.5 **Notice of Meetings.** Notice of the time and place of all regular and special meetings shall be given to each Director. All such notices shall be given or sent to the Director's address, phone number, or by electronic transmission as shown on the records of the Association. Any oral notice given personally or by telephone may be communicated directly to the Director or to a person who would reasonably be expected to promptly communicate such notice to the Director.

Section 6.6 **Quorum.** Quorum of the Board of Directors shall consist of a majority of board positions currently occupied.

Section 6.7 **Vacancies.** If for any cause there shall be a vacancy on the Board of Directors, the Board of Directors may, by two-thirds majority of those voting, elect any qualified association member to fill such vacancy for the unexpired term

Section 6.8 **Removal and Resignation of Directors.** A Board member may be removed by two-thirds vote of the Board of Directors if he/she has missed three or more Board meetings in a calendar year. Absences as determined by the Board as excused shall not count as an absence for the purpose of the previous sentence. Any member of the Board of Directors may be removed from office by a two-thirds vote of the Directors after an opportunity to be heard.

Section 6.9 **Action Without Meeting.** Any action required or permitted to be taken by the Board may be taken without a meeting, if a majority of presently serving members of the Board, individually or collectively, consent in writing to the action. For the purposes of this Section 5.9 only, "all members of the Board" shall not include any "interested Director" as defined in section 5233 of the California Nonprofit Corporation Law. Such written consent shall have the same force and effect as a vote of the Board taken at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Written consent may be transmitted by first-class mail, messenger, courier, facsimile, or electronic transmission.

Section 6.10 **Fees and Compensation of Directors.** The Association shall not pay any compensation to Directors for services rendered to the Association as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to the Association, in reasonable amounts as approved by the Board.

Section 6.11 **Non-Liability of Directors.** The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Association.

Article 7 – Officers

Section 7.1 **Officers.** The officers of the Association shall consist of a Chair, a President, a Vice-President, a Secretary, and a Treasurer. The position of Chair may be filled at the discretion of the Board. The Board shall have the power to designate additional Officers-who also need not be Directors, with such duties, powers, titles and privileges as the Board may fix. Any number of offices may be held by the same person, except that the Secretary and the Treasurer may not serve concurrently as either the President or the Chair.

Section 7.2 **Election of Officers and Vacancies in Offices.** The Officers shall be elected by the members of the Board at the first meeting of the Board following the Annual Meeting of the Association. Officers shall serve in these posts at the discretion of the Board for one (1) year, or until their successors are elected. The Board of Directors may, at any regular or special meeting of the Board of Directors, fill a vacancy in any office caused by the death, resignation, removal or disqualification of any officer or by any other cause.

Section 7.3 Responsibility of Officers.

Section 7.3.1 Chairman.

The Chair of the Board (the “Chair”), if any, shall be a Director and shall exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws. If the Board designates both a Chair and a President, the Board shall, by resolution, establish the specific duties carried by each position.

Section 7.3.2 **President.** The president of the Association (the “President”) shall preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws. The President shall appoint all committees subject to confirmation by the Board of Directors and shall be an ex-officio member of all committees except the Nominating Committee. S/he shall make an annual report of the activities of the Association to the membership.

Section 7.3.3 **Vice-President.** The vice president of the Corporation (the “Vice President”) shall, in the absence or disability of the President, perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon, the President. The Vice President shall have such other powers and perform such other duties as may be prescribed by the Board.

Section 7.3.4 **Secretary.** The Secretary shall (a) record and keep the minutes of all meetings of the Board of Directors and of the Association; (b) keep a complete list of names and addresses of all members of the Association; (c) conduct all correspondence of the Association; and (d) maintain a file of all

documents and papers of the Association. Duties of the Secretary may be delegated at the discretion of the Board.

Section 7.3.5 **Treasurer.** The Treasurer shall collect and receive all moneys due. S/he shall be the custodian of these moneys, shall deposit them in a bank designated by the Board of Directors, and shall disburse the same only upon order of the Board of Directors. S/he shall present statements to the Board at its regular meetings and an annual report to the membership at the Annual Meeting.

Section 7.4 **Removal and Resignation of Officers.** Any officer may be removed by the Board of Directors by a two-thirds vote, at any regular or special meeting after an opportunity to be heard. Any officer may resign at any time by giving written notice to the President or to the Secretary of the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein.

Article 8 – Meetings

Section 8.1 **Annual Meeting.** This Association shall have its Annual Meeting in the second quarter of each calendar year to hear the annual reports of the officers and committee chairmen as requested by the President, and for the election of Board Members, as well as to transact such other business as may come before the meeting. The business of the Association shall extend from the adjournment of one Annual Meeting until the adjournment of the next, and the terms of its Officers shall be measured in years.

Section 8.2 **Special Membership Meetings.** Special meetings of the membership may be called by the President, the Board of Directors, or by petition of at least fifteen Individual members in good standing.

Section 8.3 **Notice of Membership Meetings.** All Notices of Meetings provided to the Membership shall include at a minimum the time, date, and location of the meeting as well as an agenda of topics to be covered. All such Notices shall be sent by mail to the last-known mailing address of each member. Notices for the Annual Meeting shall be provided at least two weeks in advance; Notice of Special Meetings shall be provided at least 6 days in advance.

Section 8.4 **Quorum at Annual or Special Meetings.** A quorum at any general membership meeting of the Association shall consist of twenty-five (25) Individual members.

Article 9 – Committees

Section 9.1 **Committees.** The Board may, by resolution adopted by a majority of the Directors then in office, create one or more Board Committees including an Executive

Committee, each consisting of one or more Directors and such Committees may include Individual Members, to serve at the discretion of the Board.

Section 9.2 **Nominating Committee.** The Nominating Committee shall consist of three (3) Individual Members, all of whom shall be appointed by the Board of Directors. The President shall not be a member of the Nominating Committee.

Article 10 – Nominations and Elections

Section 10.1 **Nominations** Suggestions for nominations of Directors may be sent to the Nominating Committee by any Association member. Any Individual Member in good standing shall have the right to nominate any other eligible Individual Member who meets the requirements of these Bylaws and who has consented to serve if elected to the Board.

Section 10.2 **Report.** The report of the Nominating Committee of its nominations for Directors shall be sent to all members two weeks before the date of the Annual Meeting. Other nominations may be submitted by any Individual member in good standing, in writing to the Nominating committee or by voice at the Annual Meeting.

Section 10.3 **Elections.** Elections to the Board of Directors shall be by secret ballot. No member shall be allowed to cast more than one vote for any candidate. The candidates receiving the most votes shall become the new board members at the conclusion of the meeting at which the election is held. Absentee voting shall be permitted to any Individual Member.

Article 11 –Parliamentary Authority

Section 11.1 **Governing Rules.** The rules contained in the latest edition (revised) of Roberts' Rules of Order shall govern the Association when they are applicable and not inconsistent with these by-laws. The President may appoint a Member to serve as Parliamentarian at all meetings.

Section 11.2 **Issues.** Any issue brought in writing before the Board by any member in good standing shall be considered and voted on by the Board at its next meeting if at least one Board member consents.

Article 12 – Dues Dues of this Association shall be set by the Board subject to the approval of a majority of voting members present and voting at the annual meeting, except that the Board may, upon request, waive or lower an individual's dues based on ability to pay.

Article 13 – Financial Regulations

Section 13.1. **Disbursement of Funds.** The Board of Directors shall have the power to authorize disbursement of funds of the Association by action of the Directors present at a regular or special meeting of the Board. No appropriation, expenditure or disbursement of any funds or properties shall be made unless approved by the membership or authorized by the Board of Directors. No officer, Board member, committee member, or employee shall contract any obligation or incur an indebtedness on behalf of the Association or in any way render it liable unless authorized by the Board of Directors.

Section 13.2. **Financial Rules and Regulations.** The Board of Directors shall promulgate such rules and regulations as may be necessary concerning signature of checks, depository of funds, financial records, accounting, and all other matters pertaining to the handling of funds.

Section 13.3. **Fiscal Year.** The fiscal year of the Association shall commence January 1.

Section 13.4. **Audit.** The financial records and accounts of the Association may be audited annually.

Article 14 – Indemnification.

To the full extent permitted by law and in the manner provided by law, the Association may indemnify against liability and hold harmless any person who was or is a party to or is threatened to be a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact such person is or was a Director, officer, employee or agent of the corporation, domestic or foreign, nonprofit, or for-profit, partnership, joint venture, trust, or other enterprise.

The foregoing rights of indemnification shall not be deemed to be exclusive of any other rights to which such person may be entitled under applicable law, and shall continue as to a person who has ceased to be a Director, officer, employee, or agent of the Association and shall inure to the benefit of the estate, executors, administrators, heirs, legatees or devisees of any such personal.

The Association may pay expenses, including attorneys' fees, incurred in defending any action, suit or proceeding referred to in this Article in advance of the final disposition of such suit or proceeding as authorized by the Board of Directors in the specific case and as permitted by law.

The Association may purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee, or agent of the Association when serving in

an official capacity on behalf of the Association, or is or was serving at the request of the Association as a member, director, officer, employee or agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust, or other enterprise, against any liability asserted against such person and incurred in any such capacity, or arising out of such person's status as such, whether or not the corporation would be required or would have the power to indemnify such person against such liability under this Article or otherwise.

Article 15 – Amendments

These by-laws may be amended by a two-thirds (2/3) vote of the voting members present and voting at the Annual Meeting, provided the amendments are submitted to the membership in writing at least two weeks in advance of the meeting.

Article 16 – Dissolution

In the event of the dissolution of this organization, its assets, after payment of all outstanding obligations, shall be distributed to such educational or charitable institutions as the Board of Directors shall determine.

End of By-Laws

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the Franklin Hills Residents Association a California nonprofit public benefit corporation; that these Bylaws, consisting of eight (8) pages, are the Bylaws of this Corporation as adopted by the membership on June 23, 2012; and that these Bylaws have not been amended or modified since that date.

Executed on June 23, 2012 at Los Angeles, California.

Elizabeth H. Richardson
Secretary