

BYLAWS  
OF THE  
VALLEY VILLAGE HOMEOWNERS RESIDENTS  
ASSOCIATION

January 2021

## TABLE OF CONTENTS

	Page
<b>ARTICLE I: NAME AND LOCATION</b>	5
1.1. Name of Corporation	
1.2. Principal Office	5
1.3. Change of Address	5
1.4. Other Offices	5
1.5. Geographic Region	5
<b>ARTICLE II: PURPOSE</b>	6
2.1. Purpose	6
<b>ARTICLE III: MEMBERS</b>	6
3.1. <b>C</b> lassification of Members	6
3.1(1). Voting Members	6
3.1(2). Honorary	6
3.2. Qualification of Membership	6
3.3. Admission to Membership	7
3.4. Dues	7
3.5. Good Standing	7
3.6. Transferability of Membership	7
3.7. Membership Book	7
3.8. Termination of Membership	8
3.9. Suspension or Expulsion	8
3.10. Procedure for Suspension or Expulsion	8
3.11. Effect of Termination	9
<b>ARTICLE IV: MEETINGS OF MEMBERS</b>	9
4.1. Place	9
4.2. General Meetings	9
4.3. Special Meetings	9
4.4. Notice of Meetings	10
4.4(1). General	10
4.4(2). Special Meetings	10
4.4(3). Certain Agenda Items	10
4.5. Quorum	11

4.6.	Loss of Quorum	11
4.7.	Adjournment	11
4.8.	Voting	11
4.9.	Proxy and Cumulative Voting	11
4.10.	Actions by Written Ballot	11
	4.10(1). Ballot Requirements	12
	4.10(2). Solicitation Materials	12
	4.10(3). Required Approval	12
	4.10(4). Revocation of Ballot	12
4.11.	Parliamentary Authority	13

**ARTICLE V: BOARD MEMBERS** 13

5.1.	General Powers	13
5.2.	Number and Qualifications	13
5.3.	Past Presidents	13
5.4.	Nomination	13
5.5.	Election	13
5.6.	Terms of Office	14
5.7.	Compensation and Reimbursement	14
5.8.	Resignation of <del>Director</del> <u>a Board Member</u>	14
5.9.	Removal of <del>Director</del> <u>a Board Member</u>	14
	5.9(1). Removal for Cause	14
	5.9(2). Removal Without Cause	15
5.10.	Vacancies on the Board	15
	5.10(1). Vacancies Filled by Board	15
	5.10(2). Vacancies Filled by Members	15

**ARTICLE VI: OFFICER AND BOARD DUTIES** 15

6.1.	President	15
6.2.	Vice President	16
6.3.	Secretary	16
6.4.	Treasurer	16
6.5.	Non-officer Board Members	17
6.6.	Nominating Committee	17

**ARTICLE VII: MEETINGS OF BOARD MEMBERS** 17

7.1.	Place of Meetings	17
7.2.	Call of Meetings	17

7.3.	Annual and General Meetings	17
7.4.	Special Meetings	17
7.5.	Quorum	18
7.6.	Transactions of the Board	18
7.7.	Adjournment	18
7.8.	Action Without Meeting	18
7.9.	Committees of the Board	18
7.10.	Meetings and Actions of Committees	19
<b>ARTICLE VIII: REPORTS, RECORDS AND INSPECTION RIGHTS</b>		19
8.1.	Annual Report	19
8.2.	Maintenance of Records	20
8.3.	Inspection Rights of Board Members	20
8.4.	Inspection Rights of Members	20
	8.4(1). Membership Lists	20
	8.4(1).1. Denial of Demand	21
	8.4(1).2. Alternative Methods	21
	8.4(2). Accounting Records and Minutes	21
	8.4(3). Articles and Bylaws	21
<b>ARTICLE IX: MISCELLANEOUS</b>		21
9.1.	Insurance	21
9.2.	Indemnification	22
	9.2(1). Right to Indemnification	22
	9.2(2). Authorization	22
	9.2(3). Advancement of Expenses	22
9.3.	Amendments	23
	9.3(1). Limitations	23
	9.3(2). Greater Vote Required	23
9.4.	Corporate Seal	23
<b>ARTICLE X: DISTRIBUTION OF ASSETS ON DISSOLUTION</b>		24
<b>CERTIFICATE OF SECRETARY</b>		25

**BYLAWS OF  
VALLEY VILLAGE RESIDENTS HOMEOWNERS  
ASSOCIATION, A NONPROFIT CORPORATION**

Formatted: Centered, Indent: Left: 0.19"

Formatted: Centered

**ARTICLE I**

Formatted: Centered, Indent: Left: 0"

**NAME AND LOCATION**

**1.1. Name of Corporation.** The name of this corporation is Valley Village Homeowners Residents Association, sometimes hereinafter referred to as the Association.

**1.2. Principal Office.** The principal office of the Association for the transaction of its business and affairs is located at:

4965 Irvine Ave.  
Valley Village, CA 91601

**1.3. Change of Address.** The board members shall have full power and authority to change the principal office of the Association from one location to another. Any such change shall be noted by the Secretary in the Minutes as well as in these Bylaws, but shall not be considered an amendment to these Bylaws.

**1.4. Other Offices.** The board members may at any time establish branch or subordinate offices at any place or places where the Association is qualified to conduct its business.

**1.5. Geographic Region.** The geographic region served by the Association is the Valley Village area of the San Fernando Valley, defined as the area bordered on the North by the south side of Burbank Boulevard, on the South by the Ventura Freeway, on the East by the Hollywood Freeway, and on the West by the Tujunga Wash.

## ARTICLE II

### PURPOSE

**2.1. Purpose.** The purpose of the Association is: to inform and advise its members as to any and all matters impacting the Valley Village community, including matters relating to architectural and esthetic standards, environmental matters, neighborhood safety and protection, area improvement, property maintenance, police and fire protection, traffic control, zoning and land use matters, transportation systems; to preserve, protect and enforce the Valley Village Specific Plan; to create civic consciousness and awareness of the operation of governmental entities; and to promote active participation by members and the Valley Village community in the accomplishment of these goals and objectives.

## ARTICLE III

### MEMBERS

#### 3.1. Classification of Members.

**3.1(1). Voting Members.** The Association shall have only one class of voting members, and ~~each~~ **all** such members shall have equal voting and other rights as set forth in these Bylaws. No voting member shall hold more than one membership in the Association unless such member has more than one ownership interest as described under California Corporations Code Section 7312(d) and such member is conferred more than one membership by a two-thirds (2/3) vote of the board members.

**3.1(2). Honorary.** Honorary members may at any time be admitted or removed by a majority vote of the board members. Honorary members shall be exempt from the payment of dues and shall not have any voting rights or other privileges to which voting members are entitled unless so granted by a two-thirds (2/3) vote of the board members. However, no such person shall constitute a "member" within the meaning of Section 5056(a) of the California Corporations Code or Section 3.1(1) above.

**3.2. Qualification for Membership.** Any person permanently residing within the geographic region of Valley Village as described in Section 1.5 shall be eligible to become a member of the Association subject to the following:

(a) Membership is conditioned on the member's support of the goals and objectives of the Association; and

(b) Each household shall be entitled to no more than two (2) adult members, each of whom may be considered a member of the Association and shall have all the rights and privileges of membership, including the right to vote, but no household shall be required to pay more than one annual membership dues. The term "household" for purposes of this provision shall mean single-family dwelling, condominium, townhouse, apartment unit or other similar residential housing.

(c) Any person applying or accepted for membership must provide, if requested by the Association, evidence of permanent residency such as a driver's license, utility bill or other form of documentation deemed sufficient by the Association to establish their qualified residency.

**3.3. Admission to Membership.** Persons qualified for membership under Section 3.2 shall be admitted to the Association upon payment of the first annual dues as specified in Section 3.4. Admission may, for good cause, be denied to any applicant upon two-thirds (2/3) vote of the board members.

Deleted: the

**3.4. Dues.** The annual dues payable to the Association by members shall be in such amounts as shall be determined by the board members, but the minimum dues required shall be the same for each household. Dues shall be payable for the first year on application for admission to membership and annually thereafter at such times and on such conditions as may be fixed by the board members.

**3.5. Good Standing.** Those members who have paid the required dues in accordance with these Bylaws and who are not suspended shall be members in good standing.

**3.6. Transferability of Membership.** Neither membership in the Association nor any rights in the membership may be transferred or assigned for value or otherwise.

Deleted: the

**3.7. Membership Book.** The Association shall keep in written form, or in any form capable of being converted into written form, a membership book containing the name, address and ~~class dues level~~ of each member. The book

shall also contain the reason for any termination of membership and the date thereof.

**3.8. Termination of Membership.** A person's membership and all rights of membership shall automatically cease on the occurrence of any of the following events:

- (a) Voluntary resignation ~~of a member~~;
- (b) Expiration of the period of time for which a membership is issued;
- (c) Nonpayment of dues within prescribed time limits;
- (d) Death ~~of a member~~;
- (e) Loss or absence of status that qualified them for membership;
- (f) Dissolution of the Association.
- (g) Suspension or expulsion of the member as prescribed in Sections 3.9 and 3.10.

**3.9. Suspension or Expulsion.** A member may at any time be suspended or expelled from the Association upon ~~the~~ good faith determination by the board, or a committee or person duly authorized by the board to make such a determination, that the member has materially failed to abide by the Articles of Incorporation or Bylaws of the Association, or has engaged in any other act that is seriously detrimental to the purposes and interests of the Association.

**3.10. Procedure for Suspension or Expulsion.** If grounds for suspension or expulsion appear to exist under Section 3.9, the following procedure shall be followed:

- (a) The member shall be given fifteen (15) days written notice of the proposed suspension or expulsion and the reasons therefor, as well as an opportunity to be heard, either orally or in writing, at least five (5) days prior to the effective date of the proposed suspension or expulsion. Notice shall be given either personally or via first-class or registered mail to the member's last known address as shown on the corporation's records;



(b) The hearing shall be conducted in a manner that permits the member to fairly and adequately challenge the merits of the proposed suspension or expulsion, and present any testimony or witnesses on his or her own behalf;

Deleted:

(c) Following the hearing, the board members of the Association shall decide whether or not the member should be suspended, expelled, or sanctioned in some other way. Such determination, whether made by the board members, a committee, or someone authorized to act on behalf of the board members, shall be duly approved by a two-thirds (2/3) vote of the board members, and such decision shall be final;

(d) Any legal action challenging an expulsion, suspension or termination of membership shall be commenced within one (1) year after the date of such expulsion, suspension or termination.

**3.11. Effect of Termination.** All rights and privileges of a member cease upon the suspension, expulsion or termination of his or her membership from the Association.

## ARTICLE IV

### MEETINGS OF MEMBERS

**4.1. Place.** Meetings of members shall be held at such locations as may be designated from time to time by the board members.

**4.2. General Meetings.** Unless the board fixes another date or time and so notifies members as provided in Section 4.4, a general meeting of the members shall be held at least annually on the third Wednesday of January of each year at 7:00 P.M. for the purpose of transacting any proper business that may come before the Association at such meeting, including an election of the board members if an election has not otherwise been held or provided for.

**4.3. Special Meetings.** A special meeting of the members may be called at any time by the board members, president, or five (5) percent or more of the members for any lawful purpose. Any person entitled to call such meeting (other than the board) shall do so by written request delivered to the president, vice president or secretary of the Association, specifying the general nature of the business proposed to be transacted or discussed. The date and time of the

meeting shall be fixed by the board and shall be held at least thirty-five (35) but not more than ninety (90) days after such request is received. The person receiving the request shall promptly cause notice of the meeting and the general purpose thereof to be given to the members as provided in Section 4.4(2). No business other than that which was set forth in the notice may be transacted at the special meeting.

#### **4.4. Notice of Meetings.**

**4.4(1). General.** Whenever a general or annual **membership** meeting is to transact any business upon which members are required or permitted to take action, a written notice of the meeting and matter(s) to be presented to the members for action shall be given to each member entitled to vote at that meeting. The notice shall specify the place, date and hour of the meeting, and shall be given at least ten (10) but not more than ninety (90) days before the meeting date. The notice shall be delivered either personally, by mail, facsimile or other means of written communication, and shall be addressed to the member as reflected on the books of the Association or at an address given by the member for purposes of notice. Where no such address appears or is given, notice shall be given at the principal office of the Association.

**4.4(2). Special Meetings.** In the case of a specially called meeting, notice shall be given immediately, but in no event later than twenty (20) days after receipt of the request for a special meeting, in the manner set forth in Section 4.4(1). If notice is not given within twenty (20) days after the request is received, the person(s) requesting the meeting may give the notice. Any notice of a special meeting shall state the general nature of the business to be transacted and state that no other business may be transacted.

**4.4(3). Certain Agenda Items.** The notice of any meeting at which board members are to be elected shall include the names of all persons who have been nominated at the time notice is given. A notice of meeting shall also include a statement of the general nature of the business to be transacted whenever such business includes:

- (a) removing a board member without cause;
- (b) filling vacancies on the board;

- (c) amending the Articles of Incorporation or Bylaws when member approval is required;
- (d) electing to wind up and dissolve the corporation; or
- (e) any other matter for which notice is required by law.

**4.5. Quorum.** A quorum at any meeting of **the** members shall be those members who are personally present and entitled to vote. However, when the attendance at any meeting is less than one-third (1/3) of the voting power, the members may vote only on matters or motions brought at the meeting for which notice has been given under Section 4.4.

**4.6. Loss of Quorum.** Notwithstanding the requirements of Section 4.5, the members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment even if some members have withdrawn, so long as any action taken (other than adjournment) is approved by at least a majority of the members present and entitled to vote or a two-thirds (2/3) vote where required by our parliamentary authority.

**4.7. Adjournment.** Any meeting of **the** members may be adjourned from time to time by the vote of a majority of the votes represented in person, but no other business may be transacted except as provided in Section 4.6. Notice of any new time and place need not be given if it is announced at the meeting at which adjournment is taken.

**4.8. Voting.** Each member who is in good standing at the time of any meeting in which matters are to be submitted for a vote by the members, may cast one (1) vote as to each matter submitted. Only a majority vote of the members personally present shall be required to pass any matter brought before such meeting unless the vote of a greater number is required by law or these Bylaws or our parliamentary authority.

**4.9. Proxy and Cumulative Voting.** Members shall not be permitted to vote by proxy or vote cumulatively on any matter upon which members may vote.

**4.10. Actions by Written Ballot.** An action that members may take at any general or special meeting of members, including the election of board members, may be taken without a meeting if a written ballot is delivered in a manner consistent with the requirements of Section 4.4(1), to every member entitled to vote on the matter in accordance with this section.

**4.10(1). Ballot Requirements.** The form of the ballot shall:

- (a) set forth the proposed action;
- (b) provide an opportunity or format for specifying approval or disapproval of any proposal; and
- (c) provide a reasonable time within which to return the ballot to the Association. The ballot shall further provide, subject to any reasonable specified conditions that, if the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification.

**4.10(2). Solicitation Materials.** Any materials soliciting a written ballot shall,

- (a) state the number of responses needed to meet the quorum requirement;
- (b) state, with respect to ballots other than for election of board members, the percentage of approvals necessary to pass the measure; and
- (c) specify the time by which the ballot must be received in order to be counted.

**4.10(3). Required Approval.** Approval by written ballot shall be valid only when:

- (a) the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and
- (b) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

**4.10(4). Revocation of Ballot.** A member who has cast a vote on a written ballot may revoke the ballot and cast a new vote by notifying the Association of such action in a writing delivered to the Association so

long as such writing is received by the Association within the time specified for returning ballots.

**4.11. Parliamentary Authority.** Robert's Rules of Order Newly Revised, as may be amended from time to time, shall govern the meetings of members insofar as such rules are not inconsistent with or in conflict with these Bylaws, Articles of Incorporation of the Association or the law.

## ARTICLE V

### BOARD MEMBERS

**5.1. General Powers.** Except as otherwise provided by law or the Articles of Incorporation or Bylaws of the Association, the Association's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the board.

**5.2. Number and Qualifications.** The board shall have no more than ten (10) members: a president, a vice president, a secretary, a treasurer and up to six (6) members who collectively shall be known as the board members. The board members shall be residents of the State of California and must own and reside in single-family dwellings or condominiums within the geographic area defined in Section 1.5, and must be members of the Association in good standing.

Deleted: board

**5.3. Past Presidents.** Past presidents shall be honored as emeritus board members and may serve on the board as nonvoting members in an advisory capacity.

**5.4. Nomination.** Any person qualified to be a board member under Section 5.2 may be nominated by any method of nomination authorized, approved or prescribed by the board, or if no such method has been so authorized, approved or prescribed, by any method authorized by law.

**5.5. Election.** The board members shall be elected at the biennial members meeting during odd-numbered years. If no election is held at the biennial meeting, the board members may be elected at any special meeting called for such purpose or by written ballot under Section 4.10. The board shall formulate procedures for election that allow each nominee a reasonable opportunity to communicate to members their nominee's qualifications and the

reasons for ~~their nominee's~~ candidacy, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for all members to choose among the nominees. The candidates receiving the highest number of votes for ~~the number of~~ board positions to be filled shall be elected.

Deleted: director

**5.6. Terms of Office.** Board members elected at the biennial members meeting shall hold office for two (2) years. If elected at a special meeting or by written ballot, the board member shall hold office for the term specified and elected. Notwithstanding the expiration of any such term, a board member shall continue to hold office until the member's successor is elected and qualified in accordance with these Bylaws. Board members shall not be limited in the number of terms they may serve and are eligible for reelection at any time so long as they remain qualified under Section 5.2.

**5.7. Compensation and Reimbursement.** The board, and any committee members thereunder, shall serve without compensation. However, a board member or committee member may be allowed reimbursement for any out-of-pocket expenses reasonably incurred in connection with the performance of their duties, and any such person who advances money on behalf of the Association shall be reimbursed for the amount actually expended unless the expenditure was unreasonable or is expressly disapproved by a majority of the board.

**5.8. Resignation of a Board Member.** Except when a resignation would leave the Association without a duly elected board member or board, any board member may resign by giving written notice to the president, the secretary or the board members. The resignation shall be effective when the notice is given unless it specifies a later time for the effectiveness of the resignation. If the notice specifies a later time, the board may elect, or the president may appoint with the consent of the board, a successor to take office as of the date that the resignation becomes effective.

**5.9. Removal of a Board Member.**

**5.9(1). Removal for Cause.** The board may, upon a majority vote, remove any board member from office who has been:

- (a) declared of unsound mind by a final order of the court;
- (b) convicted of a felony;

(c) found by a final order or judgment of the court to have breached the duties of a board member as provided under Corporations Code Sections 5230 et. seq.;

(d) absent from three (3) consecutive board meetings.

**5.9(2). Removal Without Cause.** Any or all of the board members may be removed without cause upon a majority vote of the members of the Association as provided under Corporations Code Section 5034.

**5.10. Vacancies on the Board.** A vacancy on the board shall exist:

(a) upon the death, resignation or removal of a board member;

(b) whenever the number of authorized board members is increased;

(c) on the failure of the members in any election to elect the maximum number of board members authorized under Section 5.2.

**5.10(1). Vacancies Filled by the Board.** Except for a vacancy created by the removal of a board member under Section 5.9, ~~vacancies of a vacant seat on~~ the board may be filled by a majority vote of the board members then in office, whether or not a quorum exists, or by a sole remaining board member or by appointment by the president with the consent of the board.

**5.10(2). Vacancies Filled by Members.** Vacancies created by the removal of a board member shall be filled only upon a majority vote of the members of the Association in accordance with these Bylaws. The members may elect a board member at any time to fill a vacancy that is not filled by the board members.

## ARTICLE VI

### OFFICER AND BOARD DUTIES

**6.1. President.** The president shall be the general manager of the Association and shall supervise, direct and control the corporation's activities, affairs and

board members' activities. The president shall preside at all member meetings and at all board meetings. The president shall have such other powers and duties as the board or the Bylaws may require.

**6.2. Vice President.** The vice president shall oversee the activities of all committees authorized by the board. If the president is absent or disabled, the vice president shall perform all duties of the president. When so acting, a vice president shall have all powers and be subject to all restrictions of the president. The vice president shall have such other powers and perform such other duties as the board or the Bylaws may require.

**6.3. Secretary.** The secretary shall keep, or cause to be kept, at the Association's principal office or such other place as the board may direct or approve, a book of minutes of all meetings, proceedings, and actions of the board, of committees of the board, and of membership meetings. The minutes of the meetings shall include the time and place that the meeting was held, whether the meeting was annual, general or special, and if special, how authorized, the manner of notice given, the names of persons present at board and committee meetings, and the number of members present at members meetings. The secretary shall further keep, or cause to be kept, a copy of the Articles of Incorporation, Bylaws, membership list, including name, address and class dues level of each member, and corporate seal, if any. The secretary shall give, or cause to be given, notice of all meetings of members, the board, and committees of the board that these Bylaws require to be given.

**6.4. Treasurer.** The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Association's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, surplus, etc. The treasurer shall give or cause to be given to the members and the board such financial statements and reports as may be required to be given by law, by these Bylaws, or by the board. The books of account shall at all times be open to inspection by any director. The treasurer shall deposit, or cause to be deposited, all monies and other valuables in the name and to the credit of the Association with such depositories as may be designated by the board, disburse the Association's funds as the board may order, render to the president and the board, when requested, an account of all transactions as treasurer and of the financial condition of the Association, and have such other powers and perform such other duties as may be prescribed by the board or these Bylaws.



**6.5. Non-officer Board Members.** Non-officer board members shall participate in and direct committees authorized by the board. Non-officer board members shall have such other powers and perform such other duties as the board or the Bylaws may require.

**6.6. Nominating Committee.** Six (6) months prior to the biennial election of a new board, the president shall appoint a nominating committee, excluding himself/herself, to identify and encourage a slate of candidates for all board positions. The nominating committee shall report its slate of candidates to the board no less than thirty (30) days prior to the end of the current year. The slate of candidates is part of the meeting notice covered by 4.4(3).

## ARTICLE VII

### MEETINGS OF BOARD MEMBERS

**7.1. Place of Meetings.** Meetings of the board shall be held at any place that has been designated by the board or in a notice of the meeting, or if not so designated, at the principal office of the Association.

**7.2. Call of Meetings.** Meetings of the board may be called by the president, vice president, secretary, or any two (2) board members.

**7.3. Annual and General Meetings.** An annual general meeting of the board shall be held immediately after each annual meeting of the members for the purpose of organization and transaction of other business. Other general meetings of the board may be held at such time and place as the board may fix from time to time.

**7.4. Special Meetings.** Special meetings of the board may be called for any reason and held upon:

(a) four (4) days notice by first-class mail, facsimile or other electronic means, or

(b) forty-eight (48) hours notice delivered personally in writing or by telephone, facsimile or other electronic means.

All such notices shall be given or sent to the board members' addresses as shown on the Association's records. Notice need not be given to any board member who signs either a written waiver of notice of the meeting or consent

to holding the meeting, or an approval of the minutes thereof, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, to the lack of such notice to such board member. All such waivers, consents and approvals shall be filed with the Association records or made part of the meeting minutes.

**7.5. Quorum.** Except as is otherwise provided in these Bylaws or by law, a majority of the number of board members constitutes a quorum of the board for the transaction of business. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some board members, if any action ~~is~~ taken or decision made is approved by at least a majority of the required quorum for such meeting.

**7.6. Transactions of the Board.** Every act or decision ~~done or made~~ approved by a majority of the board members present at a meeting duly held at which the required quorum is present is considered an act of the board.

**7.7. Adjournment.** A majority of the board members present, whether or not a quorum is present, may adjourn ~~any~~ meeting to another time and place. Notice of the new time and place need not be given unless the meeting ~~has been~~ is adjourned for more than 24 hours, in which case notice must be given to the board members who were not present at the original meeting.

**7.8. Action Without Meeting.** Any action that the board is required or permitted to take may be taken without a meeting if all members of the board individually or collectively consent in writing to such action; provided however, that the consent of any board member who has a material financial interest in a transaction to which the Association is a party and who is an interested board member as defined under Section 5233 of the Corporations Code, shall not be required for approval of that transaction. Any written consent(s) shall be filed with the minutes of the proceedings of the board. Any action by written consent shall have the same force and effect as any other validly approved action of the board.

**7.9. Committees of the Board.** The board, by motion adopted by a majority of the board members then in office, may appoint one or more committees, each including one (1) board member and an Association member or members. Appointment to such committees shall be by a majority vote of the board members then in office. Any such committee shall have all the authority of the board, to the extent provided by the board, except that no committee may:

- (a) take final action on any matter that by law also requires approval by the members or a majority of the members of the Association;
- (b) fill vacancies on the board or any committee of the board;
- (c) fix compensation for any board members serving on the board or for any Association member serving on a committee;
- (d) amend or repeal the Association's Bylaws or adopt new Bylaws;
- (e) amend or repeal any resolution of the board that by its express terms is not so amendable or repealable;
- (f) create any other committees of the board or appoint the members of committees ~~of~~ to the board;
- (g) expend corporate funds to support a nominee for board membership if more people have been nominated for board members hip than can be elected.

**7.10. Meetings and Actions of Committees.** Meetings and actions of committees of the board shall be governed by, held and taken in accordance with, these Bylaws concerning meetings and other board actions. Minutes of each committee meeting shall be kept and shall be filed with the Association records.

## **ARTICLE VIII**

### **REPORTS, RECORDS AND INSPECTION RIGHTS**

**8.1. Annual Report.** Subject to any applicable exceptions under Corporations Code Section 6321 (e.g., corporations receiving less than \$25,000 in gross revenues or receipts during a fiscal year), the board shall cause an annual report to be sent to the members and board within 120 days after the end of the Association's fiscal year which is December 31. The report shall contain all the information required by Section 6321(a) and (b) of the Corporations Code, as well as any statement required by Section 6322 of any transaction with "interested persons" or indemnification paid to any board member of the Association. Notwithstanding any of the exceptions under

Section 6321, a report with the required information and statement must be furnished annually to all board members and to any member who requests it in writing.

**8.2. Maintenance of Records.** The Association shall keep adequate and correct books and records of account, and minutes of the proceedings of its members, board and committees of the board. The Association shall also keep a record of its members' names, addresses, and ~~classes~~ dues levels of membership. All such books and records shall be kept in written form or in any other form capable of being converted into written form.

**8.3. Inspection Rights of Board Members.** Every board member shall have the absolute right at any reasonable time to inspect the Association's books, records and documents of every kind. The inspection may be made in person or by the board member's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

**8.4. Inspection Rights of Members.**

**8.4(1). Membership Lists.** Unless the Association provides a reasonable alternative as provided in Section 8.4(1).2, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

(a) inspect and copy the records containing members' names, addresses, and voting rights during usual business hours or five (5) days prior written ~~demand-on request to~~ the Association stating the purpose for which the inspection rights are requested; or

(b) obtain from the secretary of the Association, on written ~~demand request~~ and tender of a reasonable charge, a list of names, addresses, and voting rights of members who are entitled to vote for board members. The request shall state the purpose for which the list is ~~requested sought~~. The secretary shall make this list available to the member on or before the later of ten (10) days after the ~~demand-request~~ is received or the date specified in the demand as the date ~~as-of to~~ which the list is to be compiled.

Any inspection and copying under this Section 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.

**8.4(1).1. Denial of 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 Section 8.4(1).2, it may deny the member's access to the membership list.

**8.4(1).2. Alternative Methods.** The Association may, within ten (10) business days after receiving a demand request under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand request 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 request.

**8.4(2). Accounting Records and Minutes.** On written demand request to the Association, any member may inspect, copy and make extracts of the accounting books and records and the minutes of the proceedings of the members, board, and committees of the board 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.

Deleted: on

**8.4(3). Articles and Bylaws.** The Association shall keep at its principal office the original or a copy of the Articles of Incorporation and Bylaws of the Association, including any amendments thereto, which shall be open to inspection by the members at all reasonable times during office hours.

## ARTICLE IX

### MISCELLANEOUS

**9.1. Insurance.** The Association shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law, on behalf of its board members, employees, and other agents, to cover any liability asserted or incurred by any board member, employee or agent in such capacity or arising from such person's status as a board member, employee or agent, except that no such insurance shall be purchased or maintained to indemnify any board member, employee or agent for a violation of Corporations Code Section 5233 (self-dealing transactions).

**9.2. Indemnification.** To the fullest extent permitted by law, the Association shall, in accordance with Sections 9.2(1) and 9.2(2) below, indemnify its board members, employees, and other persons described in Corporations Code Section 5238(a), including any persons formerly occupying such positions, against all expenses (as defined in Section 5238(a)) judgments, fines, settlements, and other amounts actually incurred by them in connection with any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative, including any action by or in the right of the Association, by reason of the fact that the person is or was a board member, employee or other such person.

**9.2(1). Right to Indemnification.** The persons identified in Section 9.2 shall be eligible for indemnification only if they either are successful in defending the merits of any of the above-described actions or proceedings, or have been found under Section 9.2(2) of these Bylaws to have satisfied the applicable standard of conduct for an agent of the Association as set forth in Corporations Code Section 5238(b) or (c).

**9.2(2). Authorization.** On written request to the board by any person seeking indemnification under Corporations Code Section 5238(b) or (c), the board shall promptly decide under and pursuant to Corporations Code Section 5238(e) whether the applicable standard of conduct has been met, and if so, the board shall authorize indemnification. If the board cannot authorize indemnification because the number of board members who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of board members who are not parties to the proceeding, the board shall promptly call a meeting of members, at which the members shall determine under and pursuant to Corporations Code Section 5238(e) whether the applicable standard of conduct has been met, and if so, the members present at the meeting in person shall authorize indemnification.

**9.2(3). Advancement of Expenses.** To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding described by these Bylaws shall be advanced by the Association before final disposition of the proceeding on receipt by the Association of an undertaking by or on behalf of that person that the advance will be repaid unless it is

Deleted: ,

ultimately found that the person is entitled to be indemnified by the Association for those expenses.

**9.3. Amendments.** Subject to any of the limitations set forth herein or as otherwise provided by law, the Bylaws of the Association may be adopted, amended or repealed by a two-thirds (2/3) vote of the members at the biennial meeting unless doing so would materially and adversely affect the right of members as to voting or transfer.

**9.3(1). Limitations.** Without approval of the members, the board may not adopt, amend, or repeal any bylaw that would:

- (a) fix or change the authorized number of board members;
- (b) fix or change the minimum or maximum number of board members;
- (c) change from a fixed number of board members to a variable number of board members or vice versa;
- (d) increase or extend the terms of board members;
- (e) allow any board member to hold office by designation or selection rather than by election of the members;
- (f) increase the quorum for members meetings;
- (g) repeal, restrict, create, expand, or otherwise change proxy rights; or
- (h) authorize cumulative voting.

**9.3(2). Greater Vote Required.** If any provision of these Bylaws requires a greater vote of the board for action to be taken than is otherwise required by law, that provision may not be altered, amended or repealed except by such greater vote.

**9.4. Corporate Seal.** The board shall adopt and maintain a corporate seal that may be in the form and design set forth below. The secretary of the Association shall have custody of the seal and affix it in all appropriate cases to corporate or other appropriate documents. Failure to affix the seal shall not, however, affect the validity of any instrument.

**ARTICLE X**

**DISTRIBUTION OF ASSETS ON DISSOLUTION**

In the event the Association is dissolved, any remaining assets after the payment of outstanding debts shall be distributed to a Valley Village charity or charities selected by the officers of the board.



CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting ~~secretary~~ of the Valley Village ~~Homeowners-Residents~~ Association, a California nonprofit public benefit corporation; that the foregoing amended bylaws are the bylaws of this Corporation as adopted by the Board on ~~November 19, 2013~~ November 2, 2020, and that these bylaws have not been amended or modified since such date.

Executed on:

January 20, 2021 at Valley Village, California

Gil Shorr

Secretary

Deleted: S