

# Bylaws

## **Article I: NAME, OBJECTIVES AND LOCATION**

Section 1: *Name.* The name of this organization is the Southern California Rental Housing Association®, incorporated as a nonprofit mutual benefit corporation under the laws of the State of California and doing business as the Southern California Rental Housing Association, (hereinafter referred in bylaws as SCRHA®, the "Association" or "Corporation.")

Section 2: *Objectives.* The objectives of this association shall be:

(A) To provide a wide range of specialized services and activities to individuals and entities operating within the rental housing industry.

(B) To collectively address industry needs interests and issues on a continuing basis.

(C) To advocate and promote high professional standards and sound business practices in the best interests of the rental housing industry and its customers.

Section 3: *Location.* The principal office of the Southern California Rental Housing Association® shall be determined by the Board of Directors, herein called the Board, is granted full authority to change the location to best serve the purposes of the organization and the needs and interests of its membership.

## **Article II: COMPLIANCE WITH STATE AND FEDERAL LAWS**

It is the express intent of the SCRHA® in conducting any and all of its affairs to comply fully any California or federal laws which may pertain to an organization of this type.

## **Article III: MEMBERSHIP**

Section 1: *Classification of Members.* There shall be three (3) classes of members in the SCRHA®: Regular Members, Associate Members, and Honorary Life Members.

Section 2: *Regular Members.* Regular Members shall be composed of:

(A) Individuals, firms or corporations who are residential rental property owners or management companies.

(B) Property Managers - individuals, firms or corporations who are licensed where required and who manage rental property for compensation for one or more principal(s) or individuals who perform institutional residential management.

Regular Members shall have voting privileges as provided herein. They are obligated to support the Southern California Rental Housing Association® and their Bylaws and Code of Ethics and to take no action adverse thereto. Eligibility for membership is subject to approval by a vote of the Board. Subject to the provisions of Section 7612 of the California Nonprofit Mutual Benefit Corporation Law, and those provided in these Bylaws, each member shall have the rights stated within.

Regular Members shall be entitled to cast one (1) vote on each matter submitted to a vote of the membership. Regular Members who fail to be in good standing as set forth in Article IV, Section 3, shall not be entitled to vote on any matter.

Section 3: *Associate Members:* Associate Members shall be composed of:

(A) Individuals, firms or corporations that do not own or manage rental property who have an interest in the growth, preservation and expansion of the rental housing industry.

(B) Suppliers - Individuals, firms or organizations that do not own or manage rental provide goods and/or services to the rental housing industry.

(C) Reciprocal - Individuals, firms or corporations that do not own or manage rental property and whose interests are similar to the SCRHA® as to warrant the provision of membership.

Associate Members shall have voting privileges as provided herein. They are obligated to support the Southern California Rental Housing Association® and their Bylaws and Code of Ethics and to take no action adverse thereto.

Eligibility for membership is subject to approval by a vote of the Board. Subject to the provisions of Section 7612 of the California Nonprofit Mutual Benefit Corporation Law, and those provided in these Bylaws, each member shall have the rights stated within.

Associate Members shall be entitled to cast one (1) vote on each matter submitted to a vote of the membership. Associate members who fail to be in good standing as set forth in Article IV, Section 3, shall not be entitled to vote on any matter.

Section 4: *Honorary Life Members.* Individuals or entities who have performed notable services for the SCRHA®.

Honorary Life Members shall have voting privileges as provided herein. They are obligated to support the Southern California Rental Housing Association® and their Bylaws and Code of Ethics and to take no action adverse thereto. Eligibility for membership is subject to approval by a vote of the Board. Subject to the provisions of Section 7612 of the California Nonprofit Mutual Benefit Corporation Law, and those provided in these Bylaws, each member shall have the rights stated within.

Honorary Life Members shall be entitled to cast one (1) vote on each matter submitted to a vote of the membership. Honorary Life Members who fail to be in good standing as set forth in Article IV, Section 3, shall not be entitled to vote on any matter.

Section 5: *Application For Membership.* Application for membership shall be made and accompanied by the annual membership dues and any registration fees that may be applied. The Executive Director shall report the name and address of each applicant and the property which he/she represents at the next meeting of the Board of Directors.

Section 6: *Multiple Memberships.* If an individual, firm or corporation (or an affiliate thereof) holds or controls more than one membership, the holder may elect to cast its one (1) vote on each matter submitted to a vote of the membership as a regular member, associate member or honorary life member.

## **Article IV: DUES**

Section 1: *Establishment of Dues.* The dues be established by the Budget and Finance Committee for all classes of membership. Each Regular and Associate Member shall pay a membership fee in such amounts and at such times as shall be determined by the Board of Directors. All dues shall be due and payable in advance. No changes in dues or

registration fees shall be retroactive. Honorary Life Members will not be charged dues.

Section 2: *Membership Year.* The membership year shall commence upon acceptance of membership and annual dues payment and continue for twelve (12) consecutive months.

Section 3: *Good Standing.* Regular Members, to remain in good standing, must annually report and pay dues on the total number of units owned, controlled or managed must also pay all fees when due. Associate Members, to remain in good standing, must pay all fees when due.

Section 4: *Dissolution.* The SCRHA® does not contemplate pecuniary gain or profit to the members thereof and is organized solely for nonprofit purposes. Upon the dissolution of the SCRHA®, after paying or adequately providing for the debts and obligations of the SCRHA®, the remaining assets shall be distributed to a nonprofit fund, foundation, or corporation in California which is organized and operated exclusively for educational and/or scientific purposes and which has established its tax-exempt status under the Internal Revenue Code; provided, however, that if such dissolution shall occur in connection with an event other than liquidation, then the assets of the SCRHA® shall be distributed to the entity charged with performing the functions and fulfilling the purposes enumerated in Article III.

Section 5: *Transfer of Membership.* The Board may provide for the transfer of memberships, subject to such restrictions or limitations as the Board deems appropriate, including transfer upon the death, dissolution, merger, or reorganization of a member.

Section 6: *Termination of Membership.* The board may terminate or suspend a membership for non-payment of fees or for conduct in violation of any provision of these Bylaws or failure to satisfy membership qualifications. A member of the SCRHA® may be suspended or expelled from membership for conduct in serious and substantial violation of, or derogatory to, the Bylaws established by the SCRHA®. For any cause other than nonpayment of dues, a vote for removal shall occur only after the member complained against has been advised of the complaint so lodged and has been given reasonable opportunity for defense.

Loss of membership through non-payment of dues is automatic.

Section 7: *Reinstatement.* A former member desiring a continuous member record may be reinstated on showing proof of qualification and paying all dues in arrears. If, however, a continuous membership record is not desired, the member may be reinstated by paying current year's dues. The member will receive a new anniversary date upon payment of current year's annual dues.

Section 8: *Resignation.* Any member may resign by filing a written resignation with the SCRHA®, but such resignation shall not relieve the member so resigning of the obligation to pay any charges theretofore accrued and unpaid.

## **Article V: GENERAL MEMBERSHIP**

Section 1: *Annual Meeting.* There shall be an annual meeting of the members of the SCRHA® at such time and place as the Board may determine. At this meeting any proper business within the power of the members may be transacted.

Section 2: *Regular and Special Meetings.* The SCRHA® may hold meetings at a time and place designated by the President and the Board. Special meetings may be called at any time by the Board, the President, or not less than five percent (5%) of the Regular Members.

Section 3: *Notices of Meetings.* All notices of meetings of members shall be sent to the member's current address of record not less than ten (10) days if by first-class mail, facsimile message (fax) at the facsimile of record or e-mail at the e-mail address of record or twenty (20) days if by bulk or 3rd class mail or more than sixty (60) days before the date of the meeting. The notice of any meeting at which Directors are to be elected shall include names of all those who are nominees at the time the notice is sent to the members.

Section 4: *Quorum.* Twenty-five (25) Regular and/or Associate Members represented in person shall constitute a quorum at any meeting of members for the transaction of business at a general membership meeting. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter specified in the notice of meeting, shall be required to pass a motion representing an act of the members, unless the vote of a greater number is required by law. If a quorum attends a meeting, but some members withdraw from the meeting, leaving less than a quorum, the remaining members may continue to transact business, if any action taken is approved by at least a majority of the members required for a quorum.

Section 5: *Conduct of Meeting.* The President shall preside as chairperson at all meetings of the members. The chairperson shall conduct each meeting in a businesslike and fair manner, and shall follow Robert's Rules of Order insofar as such rules are not inconsistent with or in conflict with these Bylaws, the Articles of Incorporation, or the California Nonprofit Mutual Benefit Corporation Law.

Section 6: *Voting Rights.* The voting rights of the general membership of this corporation shall apply to those matters which the Board of Directors submits to the general membership; approval or rejection of such matters to be indicated by a majority of those members voting unless otherwise specified. The general membership hereof shall be entitled to vote on any amendment of the Articles of Incorporation of this Association and any item(s) that materially affect members' rights, privileges, and conditions of membership. Approval or rejection shall be indicated by a majority of those members voting unless otherwise specified.

Regular and Associate Members entitled to notices of any meeting or to vote at any such meeting and in whose name membership stands on the records of the Association on the record date for notices shall be entitled to cast a single vote in accordance with the next Section of this Article.

(A) Method. Elections need not be by ballot; provided, however, that all elections for Directors must be by ballot upon written demand made by a member 72 hours prior to the meeting. In any election of Directors, the candidates receiving the highest number of votes are elected, with each Regular and Associate Member eligible to cast one (1) vote.

(B) Binding Effect. If a membership stands of record in the names of two or more persons, a firm or corporation, their

acts with respect to voting shall have the following effect (i) if only one votes, such act binds all; or (ii) if more than one votes, the act of the majority so voting binds all. Voting shall in all cases be subject to the provisions of Chapter 6 of the California Nonprofit Mutual Benefit Corporation Law.

**Section 7: *Record Date.*** The Board may fix, in advance, a record date for the determination of the members entitled to notice of any meeting of members or entitles to exercise any rights in respect of any lawful action. The record date so fixed shall not be more than sixty (60) days nor less than twenty (20) days prior to the date of the meeting, not more than sixty (60) days prior to any other action. When a record date is so fixed, only members of record on that date are entitled to notice, or to vote, or to exercise the rights for which the record date was fixed.

If no record date is fixed by the Board, the record date for determining members entitled to notice of a meeting of members shall be at the close of business on the business day next preceding the day on which notice is given. If notice is waived, it shall be at the close of business on the business day next proceeding the day on which the meeting is held. If no record date is fixed by the Board, members on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting of members.

**Section 8: *Proxies.*** Voting by proxy is generally not authorized unless the Board of Directors determines such voting procedure to be appropriate in a particular instance in which case the provisions of Section 7613 of the California Nonprofit Mutual Benefit Corporation Law shall apply.

**Section 9: *Action By Written Ballot.*** Any action, including election of Officers and Directors, that may be taken at any annual, regular, or special meeting of members may be taken without a meeting and without notice, if a written ballot is distributed to every member entitled to vote on the matter on the day that the first written ballot is mailed. Such distribution of written ballots shall be in the manner provided for giving notice of a meeting of members and the ballot shall conform to the requirements of Corporations Code 7513.

#### **Article VI: OFFICERS**

**Section 1: *Elected Officers.*** The elected officers of the SCRHA® shall be President, President-Elect, Vice President, Secretary, Treasurer and any other position approved by the Board of Directors.

**Section 2: *Qualifications for Elective Office.*** Any SCRHA® Regular or Associate Member in good standing shall be eligible for nomination and election as an elective officer of SCRHA® except for the offices of President and President-Elect, which must be filled by a Regular Member who owns or manages property in the Counties of San Diego, Imperial, and Riverside and cities within the service area. Any person so nominated shall have given prior consent to nomination and election as an SCRHA® officer.

**Section 3: *Replacement:*** SCRHA®'s Board shall have the authority to appoint a replacement for any elective Officer in case of the inability, disability or unavailability of the elected Officer to fulfill the responsibilities of the office to which the individual was elected. Such appointment shall exist only until the next annual meeting of the Association.

**Section 4: *Removal:*** Any Officer may be removed, either with or without cause, by the Board at any time. Any Officer

may resign at any time by giving written notice to the corporation.

**Section 5: *Term of Office.*** Each elected officer shall take office following his/her election and shall serve at the pleasure of the Board for a term of one (1) year or until a successor is duly elected and qualified. Each elected officer shall serve as a member of the SCRHA® Board.

**Section 6: *Reelection.*** An officer may be elected to successive terms in the same office, except for the President who may serve only two consecutive full terms.

#### **Article VII: A: DUTIES OF THE OFFICERS**

**Section 1: *President.*** The President shall serve as the Chief Executive Officer of the SCRHA® and shall preside at meetings of the membership and Board of Directors. He/she shall represent the SCRHA® and act in its name, performing all other duties as are necessarily incident to the office or as may be prescribed by the Board. He/She shall appoint the members of all committees and task force groups, with the concurrence of the Board and shall be a member ex-officio with the right of vote on all SCRHA® committees and task force groups except the nominating committee. He/she shall communicate to the SCRHA® or Board such information and issues that impact the rental housing industry and make recommendations accordingly. He/she shall promote the effectiveness and benefits of the SCRHA®.

At the SCRHA® annual meeting and at such other times as deemed proper, the President shall communicate to the members such matters and make such suggestions as may promote the welfare and increase the usefulness of the SCRHA®. The President shall perform such other duties as are necessarily incident of the office of President or as may be directed by the Board.

**Section 2: *President-Elect.*** The President-Elect shall perform the duties of President at any time the President is unavailable or unable to act, and in the absence of unforeseen circumstances, the President-Elect shall succeed, without election, to the Presidency upon completion of the President's term. The President-Elect shall succeed to the Presidency. The President-Elect shall perform such duties as are delegated or assigned by the President or the Board and shall perform the duties of the President in the event that the individual is absent or unable to serve.

**Section 3: *Vice President.*** In the absence or disability of the President or President-Elect, the Vice President designated by the Board, shall perform all the duties of the President and, when so acting, shall 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 from time to time may be prescribed for him/her respectively by the Board. If there is no President-Elect, the Vice President shall succeed to the Presidency and shall perform such duties as are delegated by the President or the Board. He/she shall perform the duties of the President in the event that that individual is absent or unable to serve.

**Section 4: *Secretary.*** The Secretary shall oversee the proper recording of proceedings of meetings of the Association and Board of Directors and shall ensure that accurate records are kept. The Secretary shall also perform

such other duties as may be assigned by the President or the Board of Directors.

Section 5: *Treasurer*. The Treasurer shall oversee the SCRHA®'s funds, ensure the establishment of proper accounting procedures for the handling of them, and ensure that all funds are disbursed in accordance with the budget or at the direction of the Board. He/she shall report on the financial condition of the SCRHA® at all meetings of the Board and at other times as directed by the President. The Treasurer shall also perform such other duties as may be assigned by the President or the Board.

Section 6: *Additional Duties*. In addition to the normal duties of an officer, they Officers may act on behalf of the SCRHA until the next meeting of the Board.

### **Article VIII: BOARD OF DIRECTORS**

#### *Section 1: Authority and Responsibility.*

Subject to the limitations of these Bylaws, the Articles of Incorporation, and the laws of California, the activities and affairs of SCRHA® shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors, all of whom are members in good standing, and entitled to vote.

The Governing Body of the SCRHA® shall be the Board of Directors. The Board shall have supervision, control and direction of the affairs of the Association and its committees; shall determine its policies or changes therein; shall actively promote its objectives and supervise the disbursement of its funds. The Board may adopt such rules and regulations for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, delegate certain of its authority and responsibility to the Executive Director.

#### *Section 2: Board Composition.*

(A) The Board of Directors shall be composed of no less than fifty-one percent (51 %) residential rental property owners. Those Board members who do not own residential rental property must be property managers as herein defined, with the exception that two (2) Associate directors may be elected with full voting privileges to the Board.

(B) A maximum of two (2) members of the Board of Directors may be Supplier Members.

The size of the Board of Directors shall be reviewed annually.

(C) A minimum of fifteen (15) and a maximum of Nineteen (19) Directors shall be elected for a term of two (2) years.

(D) The elective Officers of SCRHA® shall serve as voting members of the Board during their term of office as provided in Sections 1 and 2 of this article.

(E) The immediate Past President shall be a voting member of the Board of Directors for one (1) year following his/her term of office.

(F) A vacancy in the Board shall be deemed to exist in case of the death, resignation, or removal of any Director, or if the authorized number of Directors be increased, or if a director fails to be elected to fill a vacant position by the members at any regular or special meeting.

Section 3: *Nominations and Elections of Officers and Directors*. Elective Officers and Directors shall be elected annually as provided in Sections 1 and 3 of this Article.

(A) The nominating committee shall recommend candidates for the offices of President Elect, Vice President, Secretary, Treasurer, and Directors at least forty-five (45) days before the annual meeting and communicate such recommendations to members who are eligible to vote. The nominating committee shall place the names of candidates for those same offices in formal nomination at the SCRHA® annual meeting.

(B) Members may nominate candidates for any office so long as eligibility requirements are met as provided in Sections 1 and 2 or this Article by submitting the nominations in writing to SCRHA® no later than seven (7) days before the annual membership meeting. Any qualified candidate will be afforded reasonable opportunity to communicate his/her existing qualifications for office to the members.

Section 4: *Additional Powers of the Board of Directors*. Without prejudice to the general powers set forth in Section 3 or this Article, and subject to the same limitations, the Board of Directors shall have the power to:

(A) Select, employ, and discharge the Executive Director of the SCRHA® by a vote of not less than two-thirds (2/3) of the members of the Board; prescribe any powers and duties for the Executive Director that are consistent with law, the Articles of Incorporation, and these Bylaws; fix his/her compensation and other terms of employment.

(B) Conduct, manage, and control the affairs and activities of the corporation and to make such rules and regulations thereof not inconsistent with law, the Articles of Incorporation, or these Bylaws as they may deem best.

(C) Adopt, make, and use a corporate seal, and to prescribe the forms of certificates of membership, and to alter the form of such from time to time as they may deem best.

(D) Levy annual dues or fees upon members and set the dates for their payment; change the amount of such dues or fees from time to time as they may deem best.

(E) Make prudent financial investments of SCRHA® funds; borrow money and incur indebtedness on behalf of the SCRHA® and cause to be executed and delivered for the SCRHA®'s purposes, in the corporate name, any instruments or other evidences of debt and securities.

(F) Create and specify the limits of authority of a committee or committees of the Association by resolution of a majority of the Directors in the office; by majority vote of the Directors in office approve appointments by President to committees, task forces, and study groups as the Board may deem necessary to the conduct of SCRHA® affairs.

(G) Adopt, amend or repeal Bylaws of the SCRHA®, subject to the review and approval of the membership at the next annual meeting, or any special meeting called for that purpose.

(H) Relieve a Director of his/her duties by vote of not less than two-thirds (2/3) of the members of the Board of Directors if said Director misses three (3) consecutive Board meetings or six (6) in one calendar year without reasonable cause. The Board shall appoint a new member by a majority of the remaining Directors and each Director so elected shall hold office until the expiration of the term of the replaced Director and until such replacement Director's successor has been elected and qualified.

(I) Appoint Advisors. Advisors are not part of the governing body of the Association and therefore do not have a vote.

He/She can participate at Board meetings in order to share their knowledge/expertise. 1) Advisor to the Board, shall be appointed by the President and ratified by the Board to serve a one (1) year term. 2) The position of Honorary Life Members may be established by a two-thirds (2/3) vote of the Board.

**Section 5: *Board of Directors Meeting.*** Meetings of the Board shall be held at such times and locations as may be designated by the Board. Any meeting, regular or special, may be held without the physical presence of some or all Directors through conference telephone or similar communications equipment as long as all Directors participating in the meeting can hear and address one another. Special meetings of the Board may be called at any time by the President, President-elect, Secretary, or any two Directors. Notice of the time and place of any special meeting of the Board shall be given to each Director by four-days notice by first class mail or 48hours notice delivered in person or by telephone, facsimile message (fax) at the Director's facsimile of record or e-mail at the e-mail address of record. The notice need not specify the purpose of the meeting.

**Section 6: *Action Without Meeting.*** Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent shall be filed with the minutes of the Board.

**Section 7: *Quorum.*** A majority of the number of voting Directors is a quorum for the transaction of business. An action taken by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board, except as a greater number may be required by law or these Bylaws. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for the meeting.

**Section 8: *Adjournment.*** A majority of the Directors present, whether or not a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned, notice of the adjournment shall be given 24 hours before the time of the reconvened meeting to the Directors who were not present at the time of adjournment.

**Section 9: *Resignation.*** Any Director may resign by written notice to the President, the Secretary, or the Board. The vacancy shall be filled in accordance with the provisions of Section 10 of this Article.

**Section 10: *Vacancies.*** Vacancies on the Board of Directors may be filled by a majority of the Directors then in office, whether or not constituting a quorum, or by a sole remaining Director, except that a vacancy created by the removal of a Director by a vote of the members may be filled only by the members in the manner provided for election of a Director. Each Director so selected shall hold office until the expiration of the term of the Director replaced and until a successor has been elected and qualified.

**Section 11: *Compensation.*** Elective Officers, Directors, and members of SCRHA® committees shall serve without compensation for their services. This section shall not preclude any Director from serving the SCRHA® in any other

capacity as an agent, employee, or otherwise, and receiving compensation for that service. Officers, Directors, and committee members may be reimbursed partially, or in full, as determined by the Board of Directors and SCRHA® policies, for expenses incurred undertaking business of the SCRHA®.

**Section 12: *Voting.*** Voting rights of a Director shall not be delegated to another nor exercised by proxy. Action taken by ballot through the mail or by other means of communication by the members of the Board shall be a valid action of the Board and shall be reported at the next regular meeting of the Board.

**Section 13: *Removal.*** The Board, by a two-thirds vote of all of its members, may remove any Director from office for the statutory reasons set forth in Section 7221 of the Nonprofit Corporation Law.

#### **Article IX: TERM LIMITATIONS**

Directors may be considered for reelection but shall not serve more than three (3) consecutive two-year terms unless they have been elected to the President or President-Elect positions or will be serving as Immediate Past President.

#### **Article X: EXECUTIVE AND STAFF**

**Section 1: *Appointment.*** The Board shall employ a salaried executive with the title of Executive Director, whose term and conditions of employment shall be specified by the Board.

**Section 2: *Authority and Responsibility.*** The Executive Director is the Chief Staff Executive and Operating Officer of the corporation. He/she shall be the general manager of the Association and supervise and direct the activities and affairs of the Association under the ultimate direction of the Board of Directors, carry out and/or supervise the implementation of the policies and orders of the Board, and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws. He/she shall be authorized from time to time, and within the budget and policies of the Association, to employ and terminate such persons as the Executive Director may deem necessary for the proper conduct of the affairs of the SCRHA® and determine the compensation to be paid therefore. He/she shall define the duties and titles of staff members and supervise their performance. The Executive Director shall be an ex-officio, non-voting member of all committees. The Executive Director is an officer of the corporation whose duties shall be carried out under the general direction of the President.

**Section 3:** The Executive Director shall participate in all board meetings, with the exception of Executive Sessions, for the purpose of facilitating meetings. He/She is not a member of the governing body and therefore does not vote.

#### **Article XI: INDEMNIFICATION**

**Section 1: *Indemnification.*** SCRHA® shall indemnify every Director, member of a committee of the SCRHA®, Officer or employee of the SCRHA®, his heirs, executors and administrators, against all liabilities and expenses (including attorney's fees) reasonably incurred by him in connection with any action, suit, or proceeding to which he may be made a party by reason of his being or having been a Director, member of a committee, Officer or employee of the SCRHA®. No indemnification shall be provided in relation to matters as to which he shall be finally adjudged in an action,

suit, or proceeding to be liable for negligence or willful misconduct in the performance of his duties to the SCRHA®. To the fullest extent permitted by law, SCRHA® shall indemnify its directors, officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of the Association, by reason of the fact that the person is or was a person described in that Section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.

**Section 2: *Approval of Indemnity.*** On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification.

#### **Article XII: COMMITTEES**

**Section 1: *Committees.*** Members at all standing committees, special committees, and task force groups, shall be appointed by the President, in accordance with SCRHA® policies, with the concurrence of the Board of Directors. Committee action shall be subject to the approval of the Board.

(A) No committee shall approve any action for which the California Nonprofit Mutual Benefit Corporation Law also requires approval of the members or approval of a majority of all members.

(B) Minutes shall be kept of each meeting of each committee.

(C) No committee shall negotiate for goods/ services, enter into binding contracts or in any way commit the resources of the SCRHA®, without express prior approval from the Board or Executive Director.

**Section 2: *Nominating Committee.*** The President shall appoint a three-member nominating committee, chaired by the Immediate Past President.

(A) The committee shall recommend at least one candidate for the offices of President-Elect, Vice President, Secretary, and Treasurer. In addition, if the committee feels there are unforeseen circumstances and valid reasons why the President-elect shall not succeed to the Presidency, they shall state the circumstances in their report and nominate an individual for the office of President. The nominating committee report shall be communicated to the Board prior to the annual meeting for their approval. The Nominating Committee shall nominate a candidate for each position of elected officers and Directors for the ensuing year and shall notify, in writing, the Board of its slate in order for the Board to conduct an election at SCRHA®'s annual meeting.

(B) The nominating committee shall officially place the list of persons they have recommended in formal nomination at the SCRHA®'s annual meeting.

#### **Article XIII: OTHER COMMITTEES**

**Section 1: *Status of Committees.*** The Board may create other committees as necessary to assist in conducting both Board and SCRHA® business. Minutes of committee meetings shall be kept and filed with the corporate records.

**Section 2: *Committees.*** Members of all standing committees, special committees, and task force groups shall be appointed by the Board, upon approval of a majority of the Board. Chairpersons of all standing committees shall be designated by the President. Committee action, other than pursuant to Article XI, Section 1 hereof, shall be subject to the approval of the Board. Committee members shall serve as spokespersons for the Association only when directed to do so by the Board.

#### **Article XIV: FINANCE**

**Section 1: *Fiscal Period.*** The fiscal year of the Association shall be January 1 through December 31.

**Section 2: *Annual Financial Report.*** Not later than ninety-days (90) days after the close of the fiscal year, the SCRHA® shall prepare an annual financial report for the fiscal year containing (i) a balance sheet as of the end of the fiscal year, (ii) an income statement, (iii) a statement of changes in financial position, (iv) a statement that the names and addresses of the current members of the SCRHA® are located at the principal office of the SCRHA®.

**Section 3: *Budget.*** The Board shall adopt and monitor an annual operating budget covering all activities of the SCRHA®.

#### **Article XV: OTHER PROVISIONS**

**Section 1: *Endorsement of Documents, Contracts.*** Subject to the provisions of applicable law, any document, contract, or other instrument in writing entered into between the corporation and any other person, when signed by an Officer of the corporation shall be valid and binding on the corporation.

**Section 2: *Arbitration Procedure.*** All disputes between the Association and any of its members which cannot be resolved through negotiation shall be submitted to binding arbitration. The rights, duties, and obligations, and such procedure as is contained in Section 1280 to 1294.2, inclusive, of the Code of Civil Procedure of the State of California, shall govern arbitration on any complaints, differences, or controversies between members of the SCRHA®.

**Section 3: *Representation of Shares of Other Corporations.*** The President or any other Officer or Officers authorized by the Board are each authorized to vote, represent, and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation.

**Section 4: *Amendment of Bylaws.*** These Bylaws may be amended or repealed by approval of the members or by the approval of the Board; provided, however, that members must approve any action that would: (a) materially and adversely affect the rights of the members as to voting, dissolution, or redemption, or transfer of membership; (b) increase or decrease the number of memberships authorized in total or for any class; (c) effect an exchange, reclassification, or cancellation of all or any part of the membership; (d) authorize a new class of membership; or (e)

specify or change a fixed number of Directors or the maximum or minimum number of Directors or vice versa.

(A) Amendment Affecting Rights of a Class. An amendment must also be approved by the members of a class, whether or not such class is entitled to vote thereon by the provisions of the Articles, if the amendment would materially affect that class.

(B) Any proposed amendment shall be sent in writing to each member at least thirty (30) days prior to the membership meeting at which the vote will be taken. A two-thirds (2/3) vote, where a quorum is present, shall be required to amend these Bylaws.

#### **Article XVI: RULES OF ORDER**

The latest edition of Robert's Rules of Order shall be the authority for establishing meeting procedures of the Association when not in conflict with these Bylaws, the Articles of Incorporation, or California or federal laws. The President may appoint a Parliamentarian, with the concurrence of the Board of Directors.

#### **Article XVII: ORGANIZATION STRUCTURE**

Section 1: *Affiliations*. The Board of Directors may establish and/or disestablish affiliations or other relationships with rental housing entities on a national, state or local level by a two-thirds affirmative vote of all Board members.

Section 2: *Executive Committee*. In order to expedite the work of SCRHA®, an Executive Committee of the Board may be established. Composed of the Officers, Immediate Past President, and Chairperson of the Legislative Steering Committee, the Executive Committee may act on behalf of the Board between meetings of the Board. Their actions taken on behalf of the Board shall be submitted for ratification at the next meeting of the Board.

#### **Article XVIII: EMERGENCY POWERS**

Section 1: *Definition of Emergency*. For purposes of this subdivision, "emergency" means any of the following events or circumstances as a result of which, and only so long as, a quorum of the Corporation's board of directors cannot be readily convened for action:

A natural catastrophe, including, but not limited to, a hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, epidemic, pandemic, or disease outbreak, or, regardless of cause, any fire, flood, or explosion.

An attack on or within this state by an enemy of this state or the public security of its residents or on the nation by an enemy of the United States of America, or upon receipt by this state of a warning from the federal government indicating that any such enemy attack is probable or imminent.

An act of terrorism or other manmade disaster that results in extraordinary levels of casualties or damage or disruption severely affecting the infrastructure, environment, economy, government functions, or population, including, but not limited to, mass evacuations.

A state of emergency proclaimed by the governor of this state (including any person serving as governor in accordance with Article V, Section 10 of the Constitution of California and Government Code, Article 5.5, Section 12058) or by the President of the United States of America.

Section 2: *Emergency Actions*. In anticipation of or during an emergency, the Board may take any action that it determines to be necessary or appropriate to respond to the emergency, mitigate the effects of the emergency, or comply with lawful federal and state government orders but may not take any action that requires the vote of the Members, unless the required vote of the Members was obtained prior to the emergency.

Section 3: *Emergency Powers*. In addition, the Board may participate with others in any partnership, joint venture or other association, transaction, or arrangement of any kind, whether or not such participation involves sharing or delegation of control with or to others.

In anticipation of or during an emergency, take either or both of the following actions necessary to conduct the corporation's business operations and affairs, unless emergency bylaws provide otherwise to:

Modify lines of succession to accommodate the incapacity of any director, officer, employee, or agent resulting from the emergency.

Relocate the principal office, designate alternative principal offices or regional offices, or authorize the officers to do so. During an emergency, take either or both of the following actions necessary to conduct the corporation's business operations and affairs:

Give notice to a director or directors in any practicable manner under the circumstances, including, but not limited to, by publication and radio, when notice of a meeting of the board cannot be given to that director or directors in the manner prescribed by the bylaws or Section 307.

Deem that one or more officers of the corporation present at a board meeting is a director, in order of rank and within the same rank in order of seniority, as necessary to achieve a quorum for that meeting.

During an emergency, the Board may take any action that it determines to be necessary or appropriate to respond to the emergency, mitigate the effects of the emergency, or comply with lawful federal and state government orders but may not take any action that requires the vote of the Members unless the required vote of the Members was obtained prior to the emergency.

Adopted 10/1/2021 Annual Membership Meeting