

BYLAWS OF

THE BEACHWOOD CANYON

NEIGHBORHOOD ASSOCIATION

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BYLAWS OF
THE BEACHWOOD CANYON NEIGHBORHOOD ASSOCIATION,
A California Nonprofit Corporation

ARTICLE I

NAME AND LOCATION OF PRINCIPAL OFFICE

The name of this corporation is Beachwood Canyon Neighborhood Association. It is a California nonprofit corporation with principal offices at 2751 Westshire Drive, in the city of Los Angeles in the County of Los Angeles, State of California (90068).

The Board of Directors (the "Board") is granted full power and authority to change said principal office from one location to another. This Article may be amended from time to time as necessary to state the new location.

ARTICLE II

PURPOSES

This corporation is a nonprofit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law exclusively for public and charitable purposes. The corporation's primary purpose is to be a vehicle for neighborhood empowerment, informing the residents of Beachwood Canyon of matters affecting us all and acting on behalf of our members to affect positive change.

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ARTICLE III

MEMBERSHIP

Section 1. Members.

This corporation shall have one class of members only, and each member shall have equal voting and other rights. No person shall hold more than one membership in the corporation. Non-voting honorary members may be admitted by action of the Board.

Section 2. Qualifications for Membership.

Any person who is a resident of Beachwood Canyon is eligible to be a member of the corporation. For purposes of this section, the boundaries of Beachwood Canyon are defined as Mulholland Highway on the north, Franklin Avenue on the south, Canyon Drive on the east, Gower Street on the southwest, and the Scenic Avenue/Primrose Street loop, Dearborn Street and Vasanta Way on the northwest. A person is qualified for membership upon submission of an application in such form and in such manner as prescribed by the Board and tender of the first year's annual dues. Persons wishing to support the work of the corporation but not living within the boundaries set forth above may become non-voting honorary members by tendering the annual dues.

Section 3. Dues.

The annual dues payable to the corporation by members shall be in such amounts as shall be determined by resolution of the Board of Directors. Dues shall be payable for the first year of membership on application for admission to membership, and thereafter at such time or

times as may be fixed by the Board. A member, on learning of the amount of dues determined by the Board and the time or times of payment fixed by the Board, may avoid liability for payment of further dues by promptly resigning from membership, except where the member is, by contract or otherwise, liable for dues.

Section 4. Number of Members.

There shall be no limit on the number of members the corporation may admit.

Section 5. Non-Transferability of Membership.

Neither the membership in the corporation nor any rights in the membership may be transferred or assigned, for value or otherwise.

Section 6. Membership Roll.

The corporation shall keep in written form, or in any form capable of being converted into written form, a membership roll recording the name, address and class (voting or honorary non-voting) of each member. The roll shall also record the date of termination of membership, if any. The membership roll shall be kept at the principal office of the corporation and shall be subject to the rights of inspection afforded by law and as set forth in Article IX, Section 8 of these Bylaws. The Board of Directors shall annually distribute to each member a copy of the membership roll showing all members in good standing as of the last annual meeting of members.

Section 7. Non-Liability of Members.

A member of the corporation shall not, solely because of such membership, be personally liable for the debts, obligations or liabilities of the corporation.

Section 8. Termination of Membership.

Membership in the corporation and all rights of membership shall automatically terminate on the occurrence of any of the following:

- (a) death;
- (b) voluntary resignation of membership by the member;
- (c) lack of qualification for membership due to residential relocation;
- (d) expiration of the period of time for which a membership is issued; or
- (e) non-payment of annual dues, subject to the limitations set forth below.

The membership of any member who fails to pay his or her dues when due and within sixty (60) days thereafter shall automatically terminate at the end of such period, unless such failure is cured within that time.

Membership in the corporation and all rights of membership may be terminated by the Board of Directors, provided such member was given fifteen (15) days' prior written notice of the termination, stating the reasons therefor, and a timely opportunity to be heard on the matter of termination. Such notice shall be given by first class mail to the member at the last address shown in the membership roll. The opportunity to be heard shall, at the election of the member, be oral or written and shall occur not less than five (5) days before the effective date of the termination. The Board shall conduct a hearing on the member's termination at the principal

office of the corporation. The president of the corporation shall preside at such hearing and shall perform all of the following:

- (1) read the charges against the subject member;
- (2) require that the charges be verified by the testimony of at least one person requesting the member's termination;
- (3) hear any other witnesses seeking to be heard in favor of the member's termination;
- (4) allow the subject member to cross-examine each witness following the testimony of that witness;
- (5) allow any director to question any witness after the subject member has completed cross-examination of the witness;
- (6) allow the subject member to make a statement on his or her own behalf, both before and after the member's presentation against termination of membership; and
- (7) allow the subject member to call any witness on his or her behalf, subject to the normal rules and standards of relevance and admissibility.

The Board shall conduct the hearing on a member's termination in good faith and in a fair and reasonable manner. The Board shall have the exclusive power and authority to determine whether the proposed termination shall take place.

All rights of a member in the corporation and in its property shall cease on the termination of such member's termination. Termination shall not relieve the member of any obligation for charges incurred, services or benefits actually rendered, annual dues or other fees. The corporation shall retain the right to enforce any such obligation or obtain damages for its breach.

Section 9. Record Date of Membership.

The record date, for the purpose of determining the members entitled to notice of and vote at any meeting, is thirty (30) days before the date of the meeting.

ARTICLE IV

MEETINGS OF MEMBERS

Section 1. Place of Meetings.

Notwithstanding anything to the contrary in these Bylaws, any meeting (whether regular, special or adjourned) of the members of the corporation may be held at any place within or without the State of California which has been heretofore designated for that purpose by resolution of the Board or by the written consent of all the members of the Board.

Section 2. Annual Meeting.

The annual meeting of the membership shall be held in the last week of the month of January of each year for the purpose of transacting such proper business as may come before the meeting, including the election of Directors. If the election of Directors does not occur at any such annual meeting, the Board shall cause the election of Directors to be held at a special meeting of members called and held as soon as reasonably possible after the adjournment of the annual meeting of the membership.

Section 3. Special Meetings.

Special meetings of the Board may be called at any time by order of the President or of any Vice-President or of the Secretary or of two or more of the Directors, or by a petition signed by at least twenty percent (20%) of the members currently in good standing.

Section 4. Notice of Meetings.

Meetings of the members shall be held upon seven (7) days' notice by first-class mail or five (5) days' notice given personally or by telephone, e-mail or other similar means of communication. Any such notice shall be addressed or delivered to each member or at such member's address as it is shown in the membership roll of the corporation.

In the case of a special meeting, notice that such a meeting will be held shall be given not more than seven (7) days after receipt of a proper request for such a meeting, and the meeting shall be held not earlier than twenty-one (21) nor later than thirty (30) days after receipt of such a request.

Section 5. Contents of Notice.

The notice of any meeting shall state the place, date and time of the meeting. In the case of special meetings, the notice shall also state those matters to be presented for action by the members. The notice of any meeting at which the election of Directors are to be elected shall include the names of all those candidates who are nominees at the time the notice is given to the members.

Section 6. Voting Rights.

Each member is entitled to one vote on each matter submitted to a vote of the members.

Cumulative voting shall not be authorized for the election of directors or for any other purpose.

Members may not exercise their right to vote by appointing proxies.

Section 7. Rules of Order.

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 or in conflict with these Bylaws.

ARTICLE V

DIRECTORS

Section 1. Powers.

Subject to limitations of the Articles of Incorporation and these Bylaws and of pertinent restrictions of the Corporations Code of the State of California, all the activities and affairs of this corporation shall be exercised by or under the direction of the Board. The Board may delegate the management of the day-to-day operation of the activities of the corporation to a management company, however composed, or other person or persons, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be

exercised under the ultimate direction of the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

(a) To select and remove all the Officers, agents and employees of the corporation, prescribe such duties for them as may not be inconsistent with law, with the Articles of Incorporation, or with these Bylaws, fix the terms of their offices and their compensation and in the Board's discretion require from them security for faithful service.

(b) To make such disbursements from the funds and properties of the corporation as are required to fulfill the purposes of this corporation as more fully set out in the Articles of Incorporation thereof and generally to conduct, manage and control the activities and affairs of the corporation and to make such rules and regulations therefor not inconsistent with law, with the Articles of Incorporation or with these Bylaws, as they may deem best.

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

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

(e) To change the principal executive office or the principal business office in the State of California from one location to another; to cause the corporation to be qualified to do business in any other state, territory, dependency, or country; to conduct business within or outside the State of California; and to designate any place within or outside the State of California for the holding of any meeting or meetings.

Section 2. Number of Directors.

The number of Directors of the corporation shall not be less than three (3) nor more than twelve (12), with the exact number of directors to be fixed, within the limits specified, by approval of the Board.

Section 3. Selection and Tenure of Office.

Directors shall be elected at each annual meeting of the Board. Each Director shall serve for a term of two years. If any such annual meeting is not held or Directors are not there elected, Directors may be elected at any special meeting of the Board held for that purpose.

Section 4. Removal of Director.

Any director may be removed without cause upon the approval of the Board by a vote of two-thirds ($\frac{2}{3}$) of the Directors then in office.

Section 5. Vacancies.

Subject to the provisions of Section 5226 of the California Nonprofit Public Benefit Corporation Law, any Director may resign effective upon giving written notice to the President, unless the notice specifies a later time for the effectiveness of such resignation.

If the resignation is to take effect at some future time, a successor may be selected before such time, to take office when the resignation becomes effective.

A vacancy or vacancies on 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.

Vacancies on the Board shall be filled in the same manner as the Director(s) whose office is vacant provided that vacancies to be filled by election by Directors may be filled by a majority of the remaining Directors, although less than a quorum, or by a sole remaining Director. Each Director so elected shall hold office until the expiration of the term of office of the replaced Director and until a successor has been named and qualified.

No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of that Director's term of office.

Section 6. Place of Meetings.

Notwithstanding anything to the contrary in these Bylaws, any meeting (whether regular, special or adjourned) of the Board of the corporation may be held at any place within or without the State of California which has been heretofore designated for that purpose by resolution of the Board or by the written consent of all the members of the Board.

Section 7. Annual Meeting.

The annual meeting of the Board shall be held in the month of January of each year.

Section 8. Special Meetings.

Special meetings of the Board may be called at any time by order of the President or of any Vice-President or of the Secretary or of two or more of the Directors.

Section 9. Notice of Meetings.

Meetings of the Board shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours' notice given personally or by telephone, e-mail or other similar means of communication. Any such notice shall be addressed or delivered to each Director or at such Director's address as it is shown upon the records of the corporation or as may have been given to the corporation by the Director for such purpose of notice or, if such address is not shown on such records or is not readily ascertainable, at the place at which the meetings of the Directors are regularly held.

Section 10. Quorum.

A majority of the authorized number of Directors shall constitute a quorum except when a vacancy or vacancies prevents such majority, whereupon a majority of the Directors in office shall constitute a quorum, provided that said majority of the Directors in office shall constitute at least either one-third of the authorized number of Directors or at least two Directors, whichever is larger. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. If the meeting is adjourned for more than twenty-four hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors, if any, who were not present at the time of the adjournment. Except as the Articles of Incorporation, these Bylaws and the California Nonprofit Corporation Law may provide, any act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board, provided, however, that any meeting at which a quorum was initially present may continue

to transact business notwithstanding the withdrawal of Directors, if any action taken shall be approved by at least a majority of the required quorum for such meeting, or such greater number as is required by the Articles of Incorporation, these Bylaws or by law.

Section 11. Participation in Meetings by Conference Telephone.

Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

Section 12. Waiver of Notice.

Notice of a meeting need not be given to any Director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, whether before or after the meeting, or to a Director who attends the meeting without protesting before or at its commencement about the lack of notice. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

Section 13. Adjournment.

A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than twenty-four hours, notice of any adjournment to another time or place shall be given prior

to the time of the adjourned meeting to the Directors, if any, who were not present at the time of the adjournment.

Section 14. 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 shall individually or collectively consent in writing to such action. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

Section 15. Rights of Inspection.

Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation, for a purpose reasonably related to such person's interest as a Director.

Section 16. Committees.

Committees of the Board may be appointed by resolution of the Board. Committees shall be composed of two or more members of the Board, and shall have such powers of the Board as may be expressly delegated to it by resolution of the Board, except with respect to:

- (a) The approval of any action for which the California Nonprofit Corporation Law also requires members' approval;
- (b) The filling of vacancies on the Board or on any committee;

- (c) The fixing of compensation of the Directors for serving on the Board or on any committee;
- (d) The amendment or repeal of Bylaws or the adoption of new Bylaws;
- (e) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable; or
- (f) The appointment of other committees of the Board or the members thereof.

Any such committee may be designated an Executive Committee or by such other name as the Board shall specify. The Board shall have the power to prescribe the manner in which proceedings of any such committee shall be conducted. In the absence of any such prescription, such committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of this Article applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee.

Section 17. Fees and Compensation.

Directors shall not receive compensation for their services as Directors. Directors may receive reimbursement for expenses as may be fixed or determined by the Board and may serve the organization in some other capacity for which compensation is paid.

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ARTICLE VI

OFFICERS

Section 1. Officers.

The Officers of the corporation shall be a Chairman of the Board or a President or both, a Secretary and a Treasurer/Chief Financial Officer. The corporation may also have, at the discretion of the Board, one or more Vice Presidents, one or more Assistant Secretaries and such other Officers as may be appointed in accordance with the provisions of Section 3 of this Article. One person may hold two or more offices, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as the President or Chairman of the Board.

Section 2. Election.

The Officers of the corporation, except such Officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen by, and shall serve at the pleasure of, the Board, subject to the rights, if any, of an Officer under any contract of employment. Each Officer shall hold his office until he shall resign, be removed, or become otherwise disqualified to serve, or until his successor shall be elected and qualified.

Section 3. Removal and Resignation.

Any Officer may be removed, either with or without cause, by a majority of the Directors at the time in office, at any regular or special meeting of the Board.

Any Officer may resign at any time, without prejudice to the rights, if any, of the corporation under any contract to which the Officer is a party, by giving written notice to the Board, or to the President or to the Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4. Vacancies.

A vacancy in any office due to death, resignation, removal or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

Section 5. Inability to Act.

In the case of the absence or inability to act of any Officer of the corporation and of any person herein authorized to act in his place, the Board may from time to time delegate the powers or duties of such Officer to any other Officer, or any Director or other person whom the Board may select.

Section 6. Chairman of the Board.

The Chairman of the Board, if there shall be such an Officer, shall, if present, preside at all meetings of the Board, and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board or prescribed by these Bylaws.

Section 7. President.

Subject to such supervisory powers, if any, as may be given by the Board to the Chairman of the Board, if there be such an Officer, the President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board, have general supervision, direction and control of the activities and Officers of the corporation. In the absence of the Chairman of the Board, or if there is none, he shall preside at all meetings of the Board. He shall be *ex officio* a member of all the standing committees, including the Executive Committee, if any, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 8. Vice President.

In the absence or disability of the President, the Vice Presidents, if any, in order of their rank as fixed by the Board, or if not ranked, 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(s) shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board or the Bylaws.

Section 9. Secretary.

The Secretary shall keep, or cause to be kept, at the principal office or such other place as the Board may order, a book of minutes of all meetings of the Board and its committees,

with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at Board and committee meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, at the principal office in the State of California, the original or a copy of the corporation's Articles of Incorporation and these Bylaws, as amended to date.

The Secretary shall give, or cause to be given, notice of all meetings of the Board and any committees thereof required by these Bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board.

Section 10. Treasurer/Chief Financial Officer.

The Treasurer shall be the Chief Financial Officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the corporation. The books of account shall at all reasonable times be open to inspection by any Director.

The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board. He shall disburse the funds of the corporation as may be ordered by the Board, shall render to the President and Directors, whenever they request it, an account of all of his transactions and of the financial condition of the corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board.

Section 11. Salaries and Compensation.

Officers of the corporation shall not receive compensation for their services as Officers. Officers may receive reimbursement for expenses as may be fixed or determined by the Board and may serve the organization in some other capacity for which compensation is paid.

ARTICLE VII

INDEMNIFICATION OF AGENTS OF THE CORPORATION

Section 1. Definitions.

For purposes of this Article, “agent” means any person who is or was a Director, Officer, employee or other agent of this corporation, or is or was serving at the request of this corporation as a Director, Officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a Director, Officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of this corporation or of another enterprise at the request of such predecessor corporation; “proceeding” means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and “expenses” includes, without limitation, attorneys’ fees and any expenses of establishing a right to indemnification under Sections 4 or 5(b) of this Article.

Section 2. Indemnification in Actions by Third Parties.

This corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the

right of this corporation to procure judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or any action brought by the Attorney General under Section 5237 thereof) by reason of the fact that such person is or was an agent of this corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith and in a manner such person reasonably believed to be in the best interests of this corporation and, in the case of a criminal proceeding, has no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. Indemnification in Actions by or in the Right of the Corporation.

This corporation shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of this corporation or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law, or an action brought by the Attorney General under Section 5237 thereof, to procure a judgment in its favor by reason of the fact that such person is or was an agent of this corporation, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if such person acted in good faith, in a manner such person believed to be in the best interests of this corporation and with such care,

including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3:

(a) In respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to this corporation in the performance of such person's duty to this corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all relevant circumstances, such person is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or

(c) Of expenses incurred in defending a threatened or pending action which is settled or otherwise disposed of without court approval, unless it is settled with the approval of the Attorney General.

Section 4. Indemnification Against Expenses.

To the extent that an agent of this corporation has been successful on the merits in defense of any proceeding referred to in Section 2 or Section 3 of this Article or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5. Required Indemnification.

Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by this corporation only if authorized in the specific case, upon a

determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or Section 3, by:

(a) A majority vote of a quorum consisting of Directors who are not parties to such proceeding; or

(b) The court in which such proceeding is or was pending, upon application made by this corporation or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by this corporation.

Section 6. Advance of Expenses.

Expenses incurred in defending any proceeding may be advanced by this corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 7. Other Indemnification.

No provision made by the corporation to indemnify its or its subsidiary's Directors or Officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of Directors, an agreement or otherwise, shall be valid unless consistent with this Article. Nothing contained in this Article shall affect any right to indemnification to which persons other than such Directors and Officers may be entitled by contract or otherwise.

Section 8. Forms of Indemnification Not Permitted.

No indemnification or advance shall be made under this Article, except as provided in Sections 4 or 5(b) in any circumstances where it appears:

(a) That it would be inconsistent with a provision of the Articles of Incorporation, these Bylaws or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 9. Insurance.

The corporation shall have power to purchase and maintain insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of this Article; provided, however, that this corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the corporation for a violation of Section 5237 of the California Nonprofit Public Benefit Corporation Law.

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ARTICLE VIII

RECEIPT AND DISBURSEMENT OF FUNDS

Section 1. Receipt of Funds.

The Corporation shall receive all monies and/or other properties transferred to it for the purposes of the corporation (as shown by the Articles of Incorporation). However, nothing contained herein shall require the Board to accept or receive any money or property of any kind if it shall determine in its discretion that receipt of such money or property is contrary to the expressed purposes of the corporation as shown by said Articles.

Section 2. Disbursement of Funds.

The corporation shall hold, manage and disburse any funds or properties received by it from any source in a manner that is consistent with the expressed purposes of this corporation.

ARTICLE IX

ADDITIONAL PROVISIONS

Section 1. Validity of Instruments Signed by Officers.

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance or other instrument in writing, and any assignment or endorsement thereof, executed or entered into between this corporation and any other person,

when signed by the Chairman of the Board, the President or any Vice President, and the Secretary, any Assistant Secretary, the Treasurer/Chief Financial Officer or any Assistant Treasurer of this corporation, is not invalidated as to this corporation by any lack of authority of the signing officers in the absence of actual knowledge on the part of the other person that the signing officer had no authority to execute the same.

Section 2. Authority of Officers and Agents.

The Board, except as the Bylaws otherwise provide, may authorize any Officer(s), agent(s) or employee(s) to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the Board, and except as provided in Section 1 of this Article, no Officer, agent or employee shall have any power or authority to bind the corporation by any contract or agreement, or to pledge its credit, or to render it liable for any purpose or to any amount.

Section 3. Construction and Definitions.

Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the General Provisions of the California Nonprofit Corporation Law shall govern the construction of these Bylaws.

Section 4. Amendments.

These Bylaws may be amended or repealed by the approval of the Board, but only upon the approval of the Board by a vote of two-thirds ($\frac{2}{3}$) of the Directors then in office.

Section 5. Instruments in Writing.

All checks, drafts, demands for money and notes of the corporation, and all written contracts of the corporation, shall be signed by the President and the Secretary or the Treasurer.

Section 6. Maintenance of Articles and Bylaws.

The corporation shall keep at its principal executive office the original or a copy of the Articles of Incorporation and these Bylaws, as amended to date.

Section 7. Maintenance and Inspection of Other Corporate Records.

The accounting books, records, and minutes of proceedings of the Board and any committee(s) of the Board shall be kept at the principal executive office of the corporation. The minutes shall be kept in printed form, and the accounting books and records shall be kept either in printed form or in any other form capable of being converted into printed form.

Upon written petition by at least twenty percent (20%) of the members currently in good standing, a member shall have the absolute right to inspect and copy all books, records and documents of every kind, including the membership roll of the corporation, for a purpose reasonably related to such person's interest as a member. Petitioning members must sign an affidavit stating that they will not use the membership roll for purposes unrelated to such person's interest as a member. The records whose inspection is sought shall be provided to the petitioning member(s) no earlier than three (3) days nor later than seven (7) days after the corporation's receipt of such petition.

BYLAWS.2123446

CERTIFICATE OF SECRETARY

I, the undersigned, being the Secretary of the BEACHWOOD CANYON NEIGHBORHOOD ASSOCIATION, do hereby certify that the above Bylaws, consisting of twenty-seven (27) pages, were adopted as the Bylaws of this corporation by the Board of said corporation. Said Bylaws are, as of the date of this certification, the adopted and existing Bylaws of this corporation.

Dated: _____

FRAN REICHENBACH, Secretary

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