

June 27, 2023



BYLAWS

Motion Approval CFDA General Meeting,
June 27, 2023
Long Beach, CA
The Westin

**BYLAWS
OF
THE CALIFORNIA FUNERAL DIRECTORS ASSOCIATION
AS AMENDED**

Santa Monica	May 25, 1961
Ballot	July 10, 1961
Sacramento	May 17, 1962
Santa Rosa	May 14, 1964
Monterey	January 27, 1965
Newport Beach	January 29, 1966
Fresno	May 12, 1966
Palm Springs	May 25, 1967
Newport Beach	January 31, 1970
Fresno	May 27, 1970
San Diego	May 12, 1971
Palm Springs	May 16, 1973
San Francisco	May 15, 1974
Beverly Hills	May 15, 1975
Anaheim	January 30, 1976
Sacramento	May 13, 1976
San Jose	January 28, 1977
Palm Springs	May 19, 1977
Newport Beach	December 8, 1977
Monterey	May 11, 1978
La Costa	November 29, 1979
Monterey	May 8, 1980
Sacramento	May 20, 1982
Palm Springs	May 1, 1983
San Jose	May 9, 1984
Ballot	October 11, 1984
Anaheim	June 20, 1985
Fresno	May 20, 1986
Long Beach	May 6, 1987
Monterey	June 21, 1988
Palm Springs	June 14, 1989
San Jose	June 20, 1990
Santa Clara	June 19, 1991
Palm Springs	June 17, 1992
Sacramento	June 29, 1993
Anaheim	June 22, 1994
Santo Clara	June 20, 1995
Sacramento	June 25, 1997
Reno, NV	June 23, 1999
Ballots	June 26, 2000
San Diego, CA	July 12, 2000
Ballot	July 20, 2002
Anaheim, CA	July 13, 2004
Long Beach, CA	May 6, 2008

Article IX –section 10 amended

San Jose, CA	May 19, 2009	Article IX- section 4 - amended
San Diego, CA	June 16, 2010	Article VI Section 8 (g) – added (g)
San Francisco, CA	June 28, 2015	Article IV section 4, Article VI
Section 7, Article IX Section 9		
Newport Beach, CA	June 26, 2018	Article VI, Section 3
South Lake Tahoe, NV	June 29, 2019	Article XI, Section 2
Long Beach, CA	June 27, 2023	

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<p><i>ARTICLE I</i> <i>Recitals and Definitions</i> <u>Section 1</u></p> <p><i>ARTICLE I</i> <i>Recitals and Definitions</i> <u>Section 2</u></p> <p><i>ARTICLE I</i> <i>Recitals and Definitions</i> <u>Section 3</u></p>	<p><i>ARTICLE I</i> 1. <u>Name of Corporation</u>. The name of this Corporation shall be the California Funeral Directors Association and shall be referred to herein as the "Corporation."</p> <p>2. <u>Corporation Is Nonprofit</u>. This Corporation has been formed pursuant to the California Nonprofit Mutual Benefit Corporation Law as a nonprofit mutual benefit corporation.</p> <p>3. <u>Specific Purpose</u>. The purpose of this Corporation is to engage in any lawful act or activity which benefits its funeral establishment members and for which a corporation may be organized under the California Nonprofit Mutual Benefit Corporation Law.</p>
<p><i>ARTICLE II</i> <i>Principal Office</i></p>	<p><i>ARTICLE II</i> <u>Location of Principal Office</u>. The principal office of the corporation shall be located in the State of California. The corporation may have such other office, or offices, in such other location or locations, as the Board of Directors may from time to time determine.</p>
<p><i>ARTICLE III</i> <i>Membership</i> <u>Section 1</u></p> <p><i>ARTICLE III</i> <i>Membership</i> <u>Section 2</u></p> <p><i>ARTICLE III</i> <i>Membership</i> <u>Section 3</u></p> <p><i>ARTICLE III</i> <i>Membership</i> <u>Section 4</u></p> <p><i>ARTICLE III</i> <i>Membership</i> <u>Section 5</u></p>	<p><i>ARTICLE III</i> 1. <u>Members of the Corporation</u>. The Members of this Corporation shall include and be limited to natural persons and organizations which meet the criteria set forth for the various classes of membership in Article IV, Section 1, below.</p> <p>2. <u>Election of New Members</u>. Each prospective new Member of this Corporation shall not have been a Member during the preceding fiscal year and shall, with the exception of candidates for the classification of Honorary Member, make written application to the Board upon forms prescribed by the Board and pay the application fee set by the Board. An applicant shall be approved for membership upon recommendation of the Membership Committee and 2/3 affirmative vote of the Executive Committee. Such vote may be conducted electronically.</p> <p>3. <u>Membership Book</u>. The Corporation shall keep, publish and mail to each Member within one-hundred-twenty (120) days following the close of each fiscal year a membership book or roster containing each Member's name and address and any other pertinent data as may be prescribed by the Board.</p> <p>4. <u>Certification of Membership</u>. The corporation shall annually issue certification of current membership.</p> <p>5. <u>Expulsion, Suspension, or Termination of Membership</u>.</p> <p>(a) <u>Cause for Termination</u>. The Board of Directors, by affirmative vote of two-thirds of all of the directors present at a duly held Board meeting with a quorum present, may terminate the membership of any Member for violation of any provision of these Bylaws or for other cause recognizable under law. Cause for termination of membership shall specifically include, but not be limited to, (i) a Member's failure to pay in full any assessment or dues, or any installment thereof, within thirty (30) days of the date upon which it becomes payable, (ii) the sale or other transfer of a Member's interest in the business which qualified such Member for membership pursuant to Article IV, Section 1 herein, and (iii) failure of a Member to operate the business which qualified such Member for membership pursuant to Article IV, Section 1 herein as a going concern.</p>

<p><i>ARTICLE III</i> Membership <u>Section 6</u></p> <p><i>ARTICLE III</i> Membership <u>Section 7</u></p>	<p>(b) <u>Notice and Opportunity to Be Heard</u>. If the Board is to consider the termination of a Member, the Board shall provide at least fifteen (15) days prior written notice of the proposed termination and the reasons therefore to the affected Member by first class or registered mail sent to the last known address of the affected Member as shown in the Corporation's records. The Board shall further provide an opportunity for such Member to be heard orally or in writing at a Board meeting to be conducted at least five (5) days prior to the effective date of any proposed Board decision to terminate such Member.</p> <p>(c) <u>Reinstatement of Membership</u>. Any Member who is terminated pursuant to this Section 5 for failure to pay assessments or dues, or any installment thereof, within thirty (30) days of the date upon which it becomes payable may be reinstated at any time during the remainder of the fiscal year by making payment in full of all dues and assessments in arrears plus a reinstatement fee of One Hundred Dollars (\$100.00).</p> <p>(d) <u>Refund</u>. No Member who is terminated shall be entitled to a refund of application fees, dues or assessments.</p> <p>6. <u>Resignation of Membership</u>. Any member may resign by filing a written resignation with the Secretary. No application fees, dues or assessments shall be refunded in the case of resignation of membership.</p> <p>7. <u>Members Other than Active Members</u>. The Corporation may refer to persons who are members pursuant to subsections (b), (c), (d), and (e) of Section 1 as "Members", but no such reference shall constitute anyone a member within the meaning of Section 5056 of the California Nonprofit Mutual Benefit Corporation Law. References in these Bylaws to "Members" shall mean members as defined in Section 5056, that is Active Members.</p>
<p><i>ARTICLE IV</i> Membership Voting <u>Section 1</u></p>	<p><i>ARTICLE IV</i></p> <p>1. <u>Classes of Membership</u>. The corporation shall have five classes of members. The designation of such classes and the qualifications and rights of the members of such classes shall be as follows:</p> <p>(a) <u>Active Members</u>. An active member shall be a funeral establishment, including a person, partnership, association, corporation or other organization licensed under the Funeral Directors and Embalmers Law of the State of California and engaged in or conducting, or holding themselves or itself out as engaged in each of the following:</p> <ul style="list-style-type: none"> (i) Preparing for the burial or disposal, and directing and supervising for burial or disposal of dead human bodies. (ii) Maintaining a funeral establishment for the preparation, for the disposition, or for the care of dead human bodies. (iii) Using, in connection with his, hers or its names or funeral establishment, the words, "funeral director", or "undertaker" or "mortician", or any other title implying that the person or it is engaged as a funeral director. (iv) Engaged in operating a mortuary and/or funeral establishment. <p>Each funeral director licensee shall be entitled to one active membership. However, no funeral director licensee which is a member of an affiliated group shall be eligible for active membership unless all licensees in the affiliated group are, or are then becoming active members. If fifty percent (50%) or more of the voting stock or assets of two or more licensees is owned or controlled by the same person or entity, all such licensees owned or controlled by that person or entity shall be deemed "affiliated licensees."</p>

(b) Associate Members. An associate member shall be a person, partnership, association, corporation or other organization engaged in operating a funeral establishment in a foreign state or country or a corporation or association whose associates or members operate a Mortuary or funeral establishment in a foreign state or country, and possess no ownership in a California licensed funeral establishment.

(c) Special Members. A special member shall be a person, partnership, association, corporation, educational institution, non-profit, or other organization engaged in a business or industry serving, teaching, supplying, selling to or otherwise dealing with, funeral or mortuary establishments. However, should a proprietorship, partnership, association, corporation, educational institution, non-profit, or organization either be licensed under the Funeral Directors and Embalmers Law of the State of California, or be owned in whole or in part by a person, partnership, association, corporation, educational institution, non-profit, or other organization so licensed, then said proprietorship, partnership, association or organization must apply for active membership under the provisions of paragraph (a) of this section.

(d) Honorary Members. An honorary member shall be an individual who has rendered distinguished service to the funeral service industry in the judgment and discretion of the Board.

(e) Former Active Member. A former active member shall be an individual who was an owner, partner, corporate officer or proprietor of an active member CFDA firm and who is now not in funeral service; further, that this individual served in one of the above capacities for an active member CFDA firm for the immediate preceding 36 months prior to leaving funeral service; further, that if this individual re-enters funeral service in any capacity, this individual must relinquish all rights and privileges of this class of membership.

ARTICLE IV
Membership Voting
Section 2

2. Member Voting Rights. Only those Members classified as Active Members pursuant to Article IV, Section 1 (a) hereof shall have the right to vote on any matter submitted to a vote of the Members. No other class of Members shall have the right to vote. On each matter submitted to a vote of the Members, whether at a meeting of the membership called and held pursuant to the provisions of these Bylaws or otherwise, each Active Member shall be entitled to vote as follows: Active Members whose annual dues are one thousand dollars (\$1000) or less, shall be entitled to one (1) vote. Active Members whose annual dues exceed one thousand dollars (\$1000) shall be entitled to one additional vote per each additional one thousand dollars (\$1000), or fraction thereof, in dues paid. Each Active Member shall file with the Secretary a list of persons, in order of priority, authorized to cast votes and otherwise represent such Active Member.

ARTICLE IV
Membership Voting
Section 3

3. Eligibility to Vote. The Active Members entitled to vote at any meeting of Members shall be those Active Members who are Members in good standing as of the record date determined in accordance with Article V, Section 8 hereof. In order to be in good standing, a Member must be current in the payment of all dues and assessments duly imposed pursuant to Article XI hereof.

ARTICLE IV
Membership Voting
Section 4

4. Manner of Casting Votes.

(a) Voting at a Meeting. Voting at a meeting may be by voice or by ballot. Voting at a meeting of the Members shall be conducted by secret written ballot when determined by the President, in his/her discretion, or when

ARTICLE IV
Membership Voting
Section 5

requested by ten percent (10%) of the votes present at the meeting.
(b) Written Ballots. Written ballots can be prepared in printed or digital format and distributed to members via mail, fax or electronically to the member's designated email address.

(b) Proxy Voting Prohibited. Proxy voting shall not be permitted on any matter put to the vote of the Members.

(c) Cumulative Voting Prohibited. Cumulative voting shall not be permitted.

5. Action by Written Ballot Without a Meeting.

(a) Written Ballots, Generally.

(i) Director Elections. The election of directors shall be conducted by the submission of written ballots to the voting Members without the necessity of calling a meeting of Members, so long as the requirements for action by written ballot set forth in this Section 5 are satisfied.

(ii) Other Matters. Any other matter or issue requiring the vote of the Members may be submitted to the Members for approval by written ballot without the necessity of calling a meeting of Members, so long as the requirements for action by written ballot set forth in this Section 5 are satisfied. The determination to seek Member approval for Corporation action in this fashion shall be made by a majority vote of the Board, or by Members possessing five percent (5%) of the total voting power of the membership signing a written request and delivering such request to the President, Vice President or Secretary.

(b) Balloting Time Requirements.

(i) Director Elections. In the case of ballots used in the election of directors, the Board shall establish a record date (see Article V, Section 8(a)(iii) hereof) and the ballots shall be mailed to all Members who are eligible to vote at least twenty (20) days prior to the date set for return and canvassing of the ballots. Subject to subsection (iii) below, the balloting period shall conclude on the date established for the return and canvassing of ballots which shall be either (A) no less than forty (40) days prior to the next annual membership meeting (Article V, Section 2) in the case of any regular election of directors, or (B) on the date established for any election by the Members to fill a vacancy (Article V, Section 8(ii) and (iii)).

(ii) Other Matters. In the case of any other matter or issue submitted to the Members for approval by written ballot, the Board shall establish a record date (see Article V, Section 8(a)(iii) hereof) and distribute the written ballot to every Member entitled to vote on the matter at least twenty (20) days prior to the date established for the return and canvassing of the ballots.

(iii) Extension of the Balloting Period. The time fixed for the return and canvassing of written ballots may only be extended if the Board so notifies the Members in the balloting materials originally sent to Members and then for no more than two (2) successive periods of thirty (30) days each. Notwithstanding the foregoing, the time fixed for return and canvassing of ballots in regular director elections shall in no event exceed the date of the next annual membership meeting.

(c) Content of Written Ballots.

(i) Director Elections. Written ballots used in any election of directors shall set forth the names of the candidates whose names have been placed in nomination at the time the ballot is issued (see Article VI, Section 6). The ballot form shall also provide a space where the Member can designate a vote for another (write-in) candidate.

(ii) Other Matters. Any written ballot distributed to the Members to vote

on any issue other than the election of directors shall set forth the proposed action and provide an opportunity, to specify approval or disapproval of the proposal.

(iii) Time for Return of Written Ballot. All written ballots shall provide a reasonable time within which to return the written ballot to the Corporation and shall state, on the face of the ballot, the date by which the written ballot must be returned in order to be canvassed.

(d) Solicitation Rules. Written ballots shall be solicited in a manner consistent with the requirements of Article V, Section 4, pertaining to the issuance of notice of Members' meetings. All solicitations of written ballots shall indicate (i) the number of responses needed to meet the quorum requirement for said action, (ii) the return date by which the written ballot must be received by the Corporation in order to be canvassed, and (iii) in the case of any written ballot distributed to vote on matters other than the election of directors, the percentage of affirmative votes necessary to approve the measure submitted for membership approval.

(e) Prohibition on Revocation. Once cast, a written ballot may not be revoked.

(f) Additional Balloting Procedures. If deemed necessary by the Board, the balloting shall be conducted in accordance with such additional procedures, not inconsistent with the provisions of this section, as may be prescribed by a firm of certified public accountants of good repute who may also be retained to supervise the secrecy and conduct of the balloting process.

(g) Requirements for Valid Action. Approval by written ballot shall be valid only when (i) the number of votes cast by ballot within the time period specified equals or exceeds the quorum (as specified in Article V, Section 5) that would have been required to be present at a membership meeting if such a meeting had been convened to vote on the proposal, and (ii) in the case of any written ballot distributed to vote on matters other than the election of directors, the number of approvals equals or exceeds the number of affirmative votes that would have been required to approve the action at a membership meeting, if such a meeting had been convened to vote on the proposal.

(h) Notification of Results of Balloting Process. Upon canvassing and tabulation of the written ballots, the Board shall notify the Members of the outcome of the vote within thirty (30) days following the close of the balloting process and tabulation of the ballots. In the case of a regular election of directors conducted by written ballot, the Board shall notify Members of the results of the election at the next annual membership meeting. If the number of written ballots cast with respect to any matter is insufficient to constitute a quorum, the Board shall so notify the Members.

(i) Conduct of Informational Meetings. Use of the written ballot procedures provided herein shall not preclude the Corporation from also conducting informational meetings of the Members or from scheduling a membership meeting to coincide with the culmination of the balloting period.

6. Majority Vote of Members Represented at Meeting or by Ballot Required. If a quorum is present at a meeting or if a quorum of Members have voted by written ballot without a meeting, the affirmative vote of the majority of the voting power of Members represented at the meeting or by written ballot without a meeting, entitled to vote and voting on any matter (except the election of directors), shall be the act of the Members, unless the vote of a greater number is required by California's Nonprofit Corporation Law or by the Articles of Incorporation or Bylaws of the Corporation. In the case of director elections, each directorship is a separate matter to be voted upon by the Members and the candidates receiving the highest number

ARTICLE IV
Membership Voting
Section 6

ARTICLE IV
Membership Voting
Section 7

<p><i>ARTICLE IV</i> Membership Voting <u>Section 8</u></p>	<p>of votes, up to the number of directors to be elected, shall be elected to the vacant director seats.</p> <p>7. <u>Interest in Corporation.</u> No member shall have any right or interest in the assets of the corporation.</p> <p>8. <u>Liabilities for Debts or Liabilities for Obligations.</u> Members shall not be personally liable for the debts, liabilities or obligations of the corporation.</p>
<p><i>ARTICLE V</i> Membership Meetings <u>Section 1</u></p> <p><i>ARTICLE V</i> Membership Meetings <u>Section 2</u></p> <p><i>ARTICLE V</i> Membership Meetings <u>Section 3</u></p>	<p><i>ARTICLE V</i></p> <p>1. <u>Place of Meeting.</u> The meetings of the Members shall be held at the principal office of the Corporation or at such other reasonable place as may be designated by the Board in the notice of the meeting.</p> <p>2. <u>Annual Meeting.</u> The annual meeting of the members of the corporation shall be held on a date and at a place to be determined by the Board of Directors at least ninety (90) days prior to the date of such annual meeting.</p> <p>3. <u>Special Meetings.</u></p> <p>(a) <u>Persons Entitled to Call Special Meetings.</u> A majority of the Board, the President or five percent (5%) or more of the Members having voting rights may call special meetings of the Members at any time to consider any lawful business of the Corporation.</p> <p>(b) <u>Procedures for Calling Special Meetings Requested by Members.</u> If a special meeting is called by Members other than the Board of Directors or President, the request shall be submitted by such Members in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by telegraphic or other facsimile transmission to the President, any Vice President, or the Secretary, of the Corporation. The officer receiving the request shall cause notice to be promptly given to the Members having voting rights in accordance with the provisions of Section 4 of this Article V, that a meeting will be held, and the date, time and purpose for such meeting, which date shall be not less than thirty-five (35) nor more than ninety (90) days following the receipt of the request. If notice of the meeting is not given within twenty (20) days after receipt of the request, the persons requesting the meeting may give the notice. Nothing contained in this subsection shall be construed as limiting, fixing, or affecting the time when a meeting of Members may be held when the meeting is called by action of the Board of Directors or the President.</p>
<p><i>ARTICLE V</i> Membership Meetings <u>Section 4</u></p>	<p>4. <u>Notice of Members' Meetings.</u></p> <p>(a) <u>Generally.</u> All notices of meetings of Members (whether regular or special) shall be sent or otherwise given in writing to each Member who, on the record date for notice of the meeting (as provided in Article V, Section 8 herein) is entitled to vote thereat, in accordance with subparagraph (c) of this Section 4, not less than twenty (20) days before the date of the meeting. The notice shall specify the place, date, and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, and no other business may in that case be transacted, or (ii) in the case of a regular meeting, those matters which the Board of Directors, at the time of giving the notice, intend to present for action by the Members, but any proper matter may be presented at the meeting for such action so long as a quorum is present.</p>

(b) Special Notice Rules for Certain Material Transactions. If action is proposed to be taken at any meeting for approval of any of the following proposals, the notice shall also state the general nature of the proposal. Member action on such items is invalid unless the notice or written waiver of notice states the general nature of the proposal(s):

- (i) Removing a director without cause;
- (ii) Filling vacancies on the Board of Directors under those circumstances where a vote of the Members is required pursuant to Article VI, Section 8 of these Bylaws;
- (iii) Amending the Articles of Incorporation or these Bylaws in any manner requiring approval of the Members;
- (iv) Approving a contract or transaction between the Corporation and one or more of its directors, or between the Corporation and any corporation, firm or association in which one or more of the Corporation's directors has a material financial interest; and
- (v) Voting upon any election to voluntarily terminate and dissolve the Corporation.

(c) Manner of Giving Notice. Notice of any meeting of Members shall be given either personally, by first-class mail with charges prepaid, or by telegraphic or facsimile transmission with charges prepaid and receipt confirmed, addressed to each Member either at the address of that Member appearing on the books of the Corporation or the address given by the Member to the Corporation for the purpose of notice. If no address appears on the Corporation's books and no other has been given, notice shall be deemed to have been given if either (i) notice is sent to that Member by first-class mail or telegraphic or facsimile transmission to the Member's principal office, or (ii) notice is published at least once in a newspaper of general circulation in the county where that principal office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegraphic or facsimile transmission to the Member's principal office, or (iii) notice is published at least once in a newspaper of general circulation in the county where that principal office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by telegraphic or facsimile transmission.

(d) Affidavit of Mailing: Effect Thereof. An affidavit of the mailing or other means of giving any notice of any membership meeting may be executed by the Secretary or the Assistant Secretary of the Corporation, and if so executed, shall be filed and maintained in the minute book of the Corporation. Such affidavit shall constitute prima facie evidence of the giving of notice.

ARTICLE V
Membership Meetings
Section 5

5. Quorum Requirements. Fifty percent (50%) of the voting power of Members, represented in person at a meeting or by written ballot without a meeting, shall constitute a quorum for the transaction of business of the Members. The Members present at a duly held meeting at which a quorum is initially present may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the Members required to constitute a quorum.

ARTICLE V
Membership Meetings
Section 6

6. Adjourned Meeting. Any Members' meeting, annual or special, whether or not a quorum is present, may be adjourned to another time and/or place (but not for more than forty-five [45] days) by the vote of the majority of Members represented at the meeting. Unless there is an absence of a quorum (in which case no other business may be transacted at that meeting except as provided in Section 5 above), the

ARTICLE V
Membership Meetings
Section 7

reconvened meeting may take any action which might have been transacted at the original meeting. When a Members' meeting is adjourned to another time or place, notice need not be given of the new meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. Notwithstanding the foregoing, if after adjournment a new record date is fixed for notice or voting, a notice of the rescheduled meeting must be given to each Member who on the record date for notice of the meeting is entitled to vote thereat.

7. Waiver of Notice or Consent by Absent Members.

(a) **Waiver and Consents, Generally.** If decisions are made by the Members at a meeting where a quorum is present, but for which proper notice was not given to all Members having voting rights for whatever reason, the decisions made at that meeting will be valid if, either before or after the meeting, each Member entitled to vote who was not present at the meeting consents to the meeting by signing (i) a written waiver of notice, (ii) a consent to holding the meeting, or (iii) an approval of the minutes. The waiver of notice need not specify the purpose or general nature of business to be transacted at such meeting unless action is taken or proposed to be taken on matters specified in Section 4(b) of this Article V, in which case, the waiver of notice must state the general nature of the matter. All such waivers, consents or approvals shall be filed with the Corporation records or be made part of the minutes of the meeting.

(b) **Effect of Attendance at Meeting.** Attendance by a Member at a meeting shall also constitute a waiver of notice of that meeting, except when the Member attends the meeting for the sole purpose of objecting at the beginning of the meeting to the transaction of any business due to the inadequacy or illegality of the notice. Attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting which are required to be described therein pursuant to Section 4(b) of this Article V, if that objection is expressly made at the meeting.

ARTICLE V
Membership Meetings
Section 8

8. Record Dates for Member Notice, Voting and Giving Consents.

(a) **Record Dates, Generally.** For the purpose of determining which Members are entitled to receive notice of any meeting, vote, act by written ballot without a meeting or exercise any rights in respect to any other lawful action, the Board of Directors may fix, in advance, a "record date" and only Members of record on the date so fixed are entitled to notice, to vote, or to take action by written ballot or otherwise, as the case may be, notwithstanding any transfer of any membership on the books of the Corporation after the record date, except as otherwise provided in the Articles of Incorporation, by agreement, or in the California Nonprofit Mutual Benefit Corporation Law. The record dates established by the Board pursuant to this section shall:

(i) In the case of determining those Members entitled to notice of a meeting, not be more than sixty (60) nor less than twenty (20) days before the date of the meeting;

(ii) In the case of determining those Members entitled to vote at a meeting, not be more than sixty (60) days before the date of the meeting;

(iii) In the case of determining Members entitled to cast written ballots, not be more than sixty (60) days before the day on which the first written ballot is mailed or solicited; and

(iv) In the case of determining Members entitled to exercise any rights in respect to other lawful action, not be more than sixty (60) days prior to the date of such other action.

<p><i>ARTICLE V</i> Membership Meetings <u>Section 9</u></p>	<p>b) <u>Failure of Board to Fix a Record Date.</u></p> <p>(i) <u>Record Date for Notice of Meetings.</u> Unless fixed by the Board, the record date for determining those Members entitled to receive notice of a meeting of Members shall be the business day preceding the day on which notice is given, or, if notice is waived, the business day preceding the day on which the meeting is held.</p> <p>(ii) <u>Record Date for Voting.</u> Unless fixed by the Board, the record date for determining those Members entitled to vote at a meeting of Members shall be the day of the meeting, or in the case of an adjourned meeting, the day of the adjourned meeting.</p> <p>(iii) <u>Record Date for Action by Written Ballot Without Meeting.</u> Unless fixed by the Board, the record date for determining those Members entitled to vote by written ballot on proposed Corporation actions without a meeting, when no prior action by the Board has been taken, shall be the day on which the first written ballot is mailed or solicited. When prior action of the Board has been taken, it shall be the day on which the Board adopts the resolution relating to that action.</p> <p>(iv) <u>Record Date for Other Lawful Action.</u> Unless fixed by the Board, the record date for determining those Members entitled to exercise any rights in respect to any other lawful action shall be the close of business on the day on which the Board adopts the resolution relating to such action, or the sixtieth (60th) day prior to the date of such other action, whichever is later.</p> <p>(c) "<u>Record Date</u>" Means as of <u>Close of Business.</u> For purposes of this Section 8, a person holding a membership as of the close of business on the record date shall be deemed the Member of record.</p> <p>9. <u>Proceedings at Members' Meetings.</u> Proceedings at any meeting shall be governed by Robert's Rules of Order as interpreted, if necessary, by the President. Unless otherwise permitted by a majority affirmative vote, discussion from the floor upon any proposition shall be limited as follows: The proponent may have, not to exceed, five (5) minutes to open and, not exceed, five (5) minutes to close the argument. Any other speaker may have, not to exceed, five (5) minutes, and no speaker, other than the proponent, shall speak more than once, and the proponent shall not speak more than twice.</p>
<p><i>ARTICLE VI</i> Board of Directors <u>Section 1</u></p> <p><i>ARTICLE VI</i> Board of Directors <u>Section 2</u></p> <p><i>ARTICLE VI</i> Board of Directors <u>Section 3</u></p>	<p><i>ARTICLE VI</i></p> <p>1. <u>General Corporation Powers.</u> Subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law and any limitations in the Articles and these Bylaws relating to action required to be approved by the Members, the business and affairs of the Corporation shall be vested in and exercised by the Corporation's Board of Directors. Subject to the limitations expressed in Article IX, Section 1 herein, the Board may delegate the management of the activities of the Corporation to any person or persons, or committee, provided that notwithstanding any such delegation the activities and affairs of the Corporation shall continue to be managed and all Corporate powers shall continue to be exercised under the ultimate direction of the Board.</p> <p>2. <u>Election Districts.</u> For purposes of conducting elections of the members of the Board, the state shall be divided into two districts, to wit, the Northern District and the Southern District, and the boundary between said districts shall be as shown on Exhibit "A" which is attached hereto and incorporated herein by reference.</p> <p>3. <u>Number and Qualification of Directors.</u> The number of Directors shall be no more than nineteen (19). Each Director shall be an active member at the time of nomination and at all times during their tenure in office.</p>

ARTICLE VI
Board of Directors
Section 4

4. Classifications of Directors. The Board of Directors shall consist of the following:

(a) No more than fourteen (14) Regular Directors, no more than seven (7) of whom shall be elected from the Northern District and no more than seven (7) of whom shall be elected from the Southern District.

(b) Four (4) Officer-Directors consisting of the following officers who, upon election to such offices pursuant to Article X, Section 2 herein, shall automatically be elected directors: President, Vice President, Secretary and Chief Financial Officer.

(c) The Immediate Past President.

ARTICLE VI
Board of Directors
Section 5

5. Term.

(a) Board. Members of the Board of Directors shall be elected or serve for the following terms:

(i) Regular members shall be elected for terms of three (3) years each. Directors' terms shall be staggered such that approximately one-third are elected each year.

(ii) Officer-Directors shall be elected for terms of one (1) year each.

(iii) The Immediate Past President shall serve for a term of one year.

Within the meaning of the Section, the time intervening between any two consecutive annual meetings is deemed to be one (1) year. The term of office of each member shall commence upon installation at the annual meeting next succeeding the member's election, and shall continue until the member's successor is elected and installed.

All vacancies on the Board, including vacancies occurring by reason of removal of Directors, shall be filled by a majority of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director.

b) Expiration of Term. Each director, including a director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected, qualified and installed.

ARTICLE VI
Board of Directors
Section 6

6. Nomination of Directors. Nominations shall be made annually for Directorships listed in Article IV, Section 5. Only Active Members may be nominated. Nominations shall be made in the following manner:

(a) Nominating Committee. By the Nominating Committee in the manner hereinafter set forth in Article IX, Section 9, such nominations shall be submitted to the Secretary in writing at least ninety-five (95) days prior to the annual meeting of the members and the Secretary shall mail such nominations to each active member at least eighty-five (85) days prior to said annual meeting; and/or

(b) Nomination by Petition. An individual can become a candidate by filing with the Secretary a petition in support of his/her candidacy signed by no less than two percent (2%) of the voting Members of the Corporation who are, themselves, in good standing with all dues and assessments paid. The Member circulating the petition shall append his/her written certification to the petition attesting to the validity of the signatures. Candidate petitions must be filed with the Secretary no later than sixty-five (65) days prior to the date of the election of directors.

ARTICLE VI

Board of Directors
Section 7

7. Election of Directors.

(a) Ballot. Each place upon the Board for which a Member is to be elected shall for the purposes of the election be deemed a separate office. The elections shall be by secret written ballot. The ballots shall include the names of all nominees, shall indicate the number of responses needed to meet the quorum requirement, and shall specify the time by which the ballot must be received in order to be counted. The ballots shall be mailed to those entitled to vote at least twenty (20) days prior to the date of canvassing the ballots and shall be received at the principal office of the corporation, not later than forty (40) days prior to the first day of the Annual Convention, and they shall be canvassed by the Election Committee, Article IX, Section 3, thirty-five (35) days prior to the first day of the Annual Convention, which committee shall certify to the Secretary who shall in turn notify the members as to the official results of the election. The ballot can be provided to members in printed or digital format sent by mail, fax or electronically to the email address for the individual member on record.

(b) Voting. Each Active Member shall be entitled to at least one (1) vote. The number of votes per Active Member shall be determined by the amount of dues paid annually by each Active Member. Active Members whose annual dues are one thousand dollars (\$1000) or less shall be entitled to one (1) vote. Active Members whose annual dues exceed one thousand dollars (\$1000) shall be entitled to one additional vote per each additional one thousand dollars (\$1000), or fraction thereof, in dues paid allocated between the Northern and Southern districts based on the proportionate number of cases reported in each district. Such allocated votes shall be rounded to the nearest whole vote.

Each Active Member shall be notified annually as to the number of votes the member may cast, based upon the dues received and recorded in the Corporation's office for the current fiscal year.

Each Active Member shall be entitled to vote only for each Director to be elected from his district, and vote for each Officer-Director to be elected from either district, i.e., an Active Member residing and/or located in the Southern District shall be entitled to vote for the Directors to be elected from the Southern District and for the Officers-Directors to be elected from either district, but he shall not be entitled to vote for the Directors to be elected from the Northern District.

In the event an Active Member shall be entitled to more than one vote as set forth in this Section; the votes shall be allocated between the Northern and Southern districts based on the proportionate number of cases reported in each district. Such allocated votes shall be rounded to the nearest whole vote.

(c) Election Rules. In all other respects the election shall be as the Board may by rule direct. The person who receives a plurality of the votes cast for any office is elected thereto in any election for the selection of a Director or Officer-Director.

8. Removal of Directors and Filling Vacancies on the Board of Directors.

(a) Vacancies, Generally. A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of any of the following: (i) the death, resignation or removal of a Director pursuant to subsections (d) and (e) hereof, (ii) an increase of the authorized number of directors, or (iii) the failure of the Members, at any election by written ballot in which any director or directors are to be elected, to elect the requisite number of directors.

ARTICLE VI
Board of Directors
Section 8

(b) Resignation of Directors. Any director may resign, which resignation shall be effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the resignation to become effective.

(c) Filling of Vacancies.

(i) Unless a vacancy is created by removal of a director from office, vacancies on the Board may be filled by the vote of a majority of the Board, or if the number of directors then in office is less than a quorum, the vacancy may be filled by (A) the unanimous written consent of the remaining directors, (B) the affirmative vote of a majority of the remaining directors then in office at a duly held meeting, or (C) by the sole remaining director.

(ii) If the vacancy is created by removal of a director for nonattendance at Board meetings (subsection (d)(iv), below), the Board may fill the vacancy as provided above. In all other cases, when a director is removed from office, his/her position shall be filled by the affirmative majority vote of the Members in an election conducted by written ballot.

(iii) Furthermore, the Members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors by affirmative majority vote of the Members in an election conducted by written ballot.

(d) Authority of the Board to Remove Directors. The Board shall have the power and authority to remove a director and declare his/her office vacant if he/she has (i) been declared of unsound mind by a final order of court, (ii) been convicted of a felony, (iii) been found by a final order or judgment of any court to have breached any duty under sections 7230 through 7238 of the California Nonprofit Mutual Benefit Corporation Law (relating to the standards of conduct of directors), or (iv) failed to attend, without sufficient excuse, two (2) consecutive regular meetings of the Board which have been duly noticed in accordance with these Bylaws.

(e) Removal by the Members. Except as otherwise provided in the immediately preceding subsection (d), a director may only be removed from office prior to expiration of his/her term by the affirmative majority vote of the Members conducted by written ballot. If the Corporation has less than fifty (50) Members, removal requires the affirmative vote of a majority of all voting Members, whether or not a quorum is attained. Any membership action to recall or remove a director shall be conducted in accordance with the following procedures:

(i) A petition must be presented in writing to the President, a Vice President or the Secretary of the Corporation that carries the signatures of Members in good standing who represent at least five percent (5%) of the voting power of the membership. Such petition must set forth (A) the reason(s) the petitioners are seeking the director's removal, (B) the signature of each petitioner in his/her own handwriting, and (C) the name(s) of the sponsor(s) of the petition.

(ii) Within fifteen (15) days after receipt of such petition, the Board shall announce the procedures for conducting a written ballot of the Members to vote upon the requested recall. Such written ballot shall be conducted not less than thirty-five (35) nor more than ninety (90) days after the petition is presented. If the Board fails to set a date for, and give the voting Members notice of, such written ballot within fifteen (15) days, the Members initiating the petition may call for such ballot on their own initiative without Board approval or sanction.

(iii) The director whose removal is being sought shall have the right to rebut the allegations contained in the petition orally, in writing or both. If in writing, such rebuttal shall be mailed by the Corporation or otherwise provided to all voting Members at the Corporation's expense, together with the recall ballot.

(iv) If the quorum requirement for valid membership action is not satisfied or if the recall vote results in a tie, the removal action will have failed.

(v) The director whose removal is being sought shall have the right to rebut the allegations contained in the petition orally, in writing or both. If in writing, such rebuttal shall be mailed by the Corporation or otherwise provided to all voting Members at the Corporation's expense, together with the recall ballot.

(vi) If the quorum requirement for valid membership action is not satisfied or if the recall vote results in a tie, the removal action will have failed.

(f) Reduction in Number of Directors. No reduction of the authorized number of directors shall have the effect of removing any director before the director's term of office expires.

(g) Anticipation of Vacancy: Notwithstanding any other sections of these by-laws, a vacancy on the board of directors that is anticipated as a result of an annual election of officers and directors may be filled by the President Elect and the appointee(s) shall be installed at the annual meeting.

ARTICLE VII
Board Meetings
Section 1

ARTICLE VII

1. Place of Meetings; Meetings by Telephone. Regular and special meetings of the Board of Directors may be held at any place that has been designated from time to time by resolution of the Board and stated in the notice of the meeting. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Notwithstanding the above provisions of this Section 1, a regular or special meeting of the Board may be held at any place consented to in writing by all the Board members, either before or after the meeting. If consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another, and all such directors shall be deemed to be present in person at such meeting.

ARTICLE VII
Board Meetings
Section 2

2. Annual Meeting of Directors. Following each annual meeting of Members, the Board of Directors shall hold a regular meeting for the purpose of organization and transaction of business. Notice of this meeting shall not be required.

ARTICLE VII
Board Meetings
Section 3

3. Other Regular Meetings. At each meeting the Board of Directors shall fix the time and place of its next regular meeting or meetings. There shall be four regular meetings per year held quarterly.

ARTICLE VII
Board Meetings
Section 4

4. Special Meetings of the Board. The President, at his or her discretion, may call special meetings of the Board of Directors. Upon written request of a majority of the Directors filed with the Secretary, requesting the President to call a special meeting of the Board, the President shall within five (5) days thereafter call such meeting. If the President shall, for any reason, fail or refuse, for a period of five (5) days after request, therefore, to call a special meeting, the Secretary, or some other person designated by the Directors requesting said meeting, shall call the meeting. The date fixed for such meeting shall not be less than five (5) days nor more than ten (10) days from the date of such call.

ARTICLE VII
Board Meetings
Section 5

5. Notice of Meetings.

(a) Manner of Giving. Notice of the time and place of regular and special meetings (except the annual meeting) of the Board shall be given to each Director and each officer by one of the following methods:

- (i) by personal delivery of written notice,
- (ii) by first-class mail, postage prepaid, at least four days prior to the meeting,
- (iii) upon 48 hours notice by telephone communication, either directly to the director or to a person at the director's home or office who would reasonably be expected to communicate such notice promptly to the director, or
- (iv) by other electronic means.

All such notices shall be given or sent to the director's physical or electronic mailing address, or telephone, telegraphic, or facsimile number as shown on the records of the Corporation. Notice of a meeting need not be given to any director who signed a written waiver of notice or a written consent to holding the meeting or an approval of the minutes thereof, as more particularly provided in Section 8 of this Article VII. Notice shall be deemed to have been given at the time when delivered personally in writing or by telephone, deposited in the mail, or sent by telegraphic or facsimile transmission. Notice need not be given for regular meetings if fixed in these bylaws or by the Board.

(b) Notice Contents. Notices shall state the date, time, place, and, if required by law or by these Bylaws, the general purpose of the meeting.

ARTICLE VII
Board Meetings
Section 6

6. Attendance by Members. Attendance shall be limited to Active Members and to those approved by the Executive Committee or by the Board of Directors. The Board shall be entitled to adjourn at any time for purposes of reconvening in executive session to discuss legal matters, personnel matters, or business of a similar nature.

ARTICLE VII
Board Meetings
Section 7

7. Quorum Requirements. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 9 of this Article VII. Every 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 regarded as the act of the Board of Directors, subject to the provisions of the California Nonprofit Mutual Benefit Corporation Law. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors below a quorum, if any action taken is approved by at least a majority of the required quorum for that meeting.

ARTICLE VII
Board Meetings
Section 8

8. Waiver of Notice. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the Corporation records or made a part of the minutes of the meeting. The requirement of notice of a meeting shall also be deemed to have been waived by any director who attends the meeting without protesting before or at its commencement the lack of notice.

ARTICLE VII
Board Meetings
Section 9

9. Adjournment. A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place or may adjourn for purposes of reconvening in executive session to discuss and vote upon personnel matters, litigation in which the Corporation is or may become involved, and business of a similar nature; provided, however, that adjournment to executive session can only be effected by approval of [a majority of a quorum of the Board.] [any officer or legal counsel to the corporation.] The nature of any matter to be considered in executive session must first be announced in open session. If the meeting is adjourned for more than twenty-four (24) hours, notice of adjournment to any other time or place shall be given prior to the time of the reconvened meeting to the directors who are not present at the time of the adjournment. Except

ARTICLE VII
Board Meetings
Section 10

as hereinabove provided, notice of adjournment need not be given.

10. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors 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 of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

ARTICLE VII
Board Meetings
Section 11

11. Compensation of Board. No compensation shall be put to the Directors. No remuneration shall be paid to a Director for services performed by the Director for the Corporation in any capacity, unless resolution authorizing such remuneration shall have been adopted by the Board before the services were rendered. A Director may not be an employee of the Corporation.

ARTICLE VIII
Duties and Powers of the Board
Section 1

ARTICLE VIII

1. Specific Powers. Without prejudice to the general powers of the Board of Directors set forth in Article VII, Section 1, the Directors shall have the power to:

(a) Exercise all powers vested in the Board under the laws of the State of California.

(b) Remove all officers of the Corporation, subject to Article X, Section 4, and other Corporation employees; prescribe any powers and duties for such persons that are consistent with law, the Articles of Incorporation and these Bylaws; and fix their compensation.

(c) Appoint such agents and employ such other employees, including attorneys and accountants, as it sees fit to assist in the operation of the Corporation, and to fix their duties and to establish their compensation.

(d) Adopt and establish rules and regulations governing the affairs and activities of the Corporation, and take such steps as they deem necessary for the enforcement of such rules and regulations, including the imposition of monetary penalties and/or the suspension of voting rights; provided notice and a hearing are provided as more particularly set forth in section 7341 of the Corporations Code.

(e) Enforce all applicable provisions of these Bylaws.

(f) Contract for and pay premiums for insurance and bonds (including indemnity bonds) which may be required from time to time by the Corporation.

(g) Pay all taxes and charges which are or would become a lien on any portion of the Corporation's real or personal property.

(h) Contract for and pay for construction or reconstruction of any portion or portions of the Corporation's property which have been damaged or destroyed and which are to be rebuilt.

(i) Delegate its duties and powers hereunder to the officers of the Corporation or to committees established by the Board, subject to the limitations expressed in Section 1 of Article IX hereof.

(j) Levy and collect dues and assessments from the Members of the Corporation in accordance with Article XI hereof.

(k) Prepare budgets and maintain a full set of books and records showing the financial condition of the affairs of the Corporation in a manner consistent with generally accepted accounting principles, and prepare an annual report, a copy of which shall be delivered to each requesting Active Member as provided in Article XI, Section 11 hereof.

(l) Establish and appoint the members of the committees prescribed in these Bylaws and such other committees as they deem necessary from time to time in connection with the affairs of the Corporation in accordance with Article IX hereof.

(m) Fill vacancies on the Board of Directors or in any committee, except for a vacancy created by the removal of a Board member for reasons other than nonattendance of Board meetings.

(n) Open bank accounts and borrow money on behalf of the Corporation and designate the signatories to such bank accounts.

(o) Bring and defend actions on behalf of more than one Member or the Corporation to protect the interests of the Members or the Corporation, as such, so long as the action is pertinent to the operations of the Corporation, and assess the Members for the cost of such litigation.

(p) All authority and responsibility for the well-being of the Corporation, unless otherwise specified in these bylaws or otherwise delegated in writing by the Board, shall remain with the Board.

ARTICLE IX
Committees
Section 1

ARTICLE IX

1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of a minimum of two Active Members or representatives of Active Member organizations (who may also be Directors) which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon them by law. No committee, regardless of Board resolution, may:

(a) Take any final action on any matter which, under the Nonprofit Corporation Law of California, also requires approval of the Members.

(b) Fill vacancies on the Board of Directors or on any committee which has been delegated any authority of the Board.

(c) Amend or repeal Bylaws or adopt new Bylaws.

(d) Amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable.

(e) Appoint any other committees of the Board or the members of those committees.

(f) Expend Corporation funds to support a nominee for director after there are more people nominated for director than can be elected.

(g) Approve any transaction (i) to which the Corporation is a party and one or more directors have a material financial interest, (ii) between the Corporation and

ARTICLE IX
Committees
Section 2

one (1) or more of its directors, or (iii) between the Corporation and any person in which one (1) or more of the Corporation's directors have a material financial interest.

2. Meetings and Actions of Committees. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Article VIII of these Bylaws, concerning meetings of Directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board. Minutes shall be kept of each meeting of any committee and shall be filed with the Corporate records. Not more than twenty (20) days following the conclusion of each meeting of any committee, the chairperson of the committee shall submit minutes of such meeting to the Secretary. The Secretary shall provide a copy of such minutes to all members of the committee and all directors of the Corporation thirty (30) days prior to the next regular meeting. The Board may adopt rules not inconsistent with the provisions of these Bylaws for the government of any committee. Unless otherwise provided, committee action shall be by a majority of its members constituting a quorum at any meeting and a quorum shall be established by the attendance of two or more members.

ARTICLE IX
Committees
Section 3

3. Election Committee. At least sixty (60) days prior to the date of each annual meeting, the Board shall authorize the President to appoint an Election Committee to act as inspector of elections. The Election Committee shall consist of three (3) Active Members who are not candidates. The Election Committee shall determine the number of memberships outstanding and the voting power of each, the number of memberships submitting votes, and the existence of a quorum. The Election Committee shall receive ballots and hear and determine all challenges and questions in any way arising in connection with the right to vote. Within five (5) days after the final date for which written ballots may be received by the Corporation pursuant to the election of directors and officers, the Election Committee shall count and tabulate all votes and certify to the Secretary the results of the election.

ARTICLE IX
Committees
Section 4

4. Finance and Financial Planning Committee. The Finance and Financial Planning Committee shall consist of the Chief Financial Officer, and at least four (4) Active Members who shall be appointed by the Board. The duties of the Finance Committee shall be as follows:

(a) To prepare an annual operating budget.

(b) To supervise the conduct of an annual review of the books of account of the non-profit corporation activities of the CFDA and a certified audit of any for-profit subsidiary of CFDA both conducted by an independent firm of certified public accountants which audit shall be presented to the Board within three (3) months after the close of each fiscal year.

(c) To supervise the preparation of regular statements and quarterly balance sheets, for presentation to the Board at their regular meetings.

ARTICLE IX
Committees
Section 5

5. Legislative Committee. The Legislative Committee shall consist of a chairperson who shall be appointed by the President for a term of one (1) year subject to the approval of the Board, and at least two (2) additional Active Members who shall also be appointed by the President, for a term of one (1) year. The duties of the Legislative Committee shall be to study, propose, and aid the enactment of

ARTICLE IX
Committees
Section 6

legislation for the advancement and benefit and regulation of the business and profession of the Funeral Directors and Embalmers and for the benefit of the consumer.

6. Membership Committee. The Membership Committee shall consist of a chairperson, who shall be appointed by the President for a term of one (1) year subject to the approval of the Board and four (4) or more additional Active Members who shall be appointed by the President. The duties of the Membership Committee shall include the promotion and maintenance of the high ethical standards in the mortuary profession and the observance of the rules of professional conduct which is found in the California Funeral Directors Association Code of Ethics:

(See Attached Page for Code of Ethics)

ARTICLE IX
Committees
Section 7

7. Executive Committee. The Executive Committee shall consist of the President, Vice-President, Secretary, Chief Financial Officer, and the Immediate Past President. The President shall preside as Chairperson of the Committee. The duties of the Executive Committee shall be as follows:

(a) To perform such duties as the Board may from time to time determine; and

(b) To assist the President and the Executive Director in the performance of their duties as the President may direct.

(c) To research and prepare amendments of the CFDA's Bylaws as directed by the Board.

ARTICLE IX
Committees
Section 8

8. Convention Committee. The Convention Committee shall consist of a minimum of four (4) Active Members who shall be appointed by the President for a term of one (1) year. In addition to these members, the President may also appoint a member(s) to represent Special Members. This Member shall be a participant only to the extent of:

(a) Liaison between the Board and the suppliers and exhibitors.

(b) Assist in the planning and execution of the actual display area of the Convention.

(c) Assist the Chairman in any other capacity as designated by the Chairman.

The Duties of the Convention Committee shall include responsibilities of planning and developing a proposal and budget for the corporation's annual convention in accordance with the Board's direction.

ARTICLE IX
Committees
Section 9

9. Nominating Committee.

(a) Members/Nominations. At least one hundred eighty (180) days prior to the date of the annual membership meeting, the Board shall appoint a Nominating Committee, and designate a chairperson, to select qualified candidates for election to those positions held by directors and officers whose terms of service are then expiring. The Nominating Committee shall consist of at least six (6) Active Members and one-half of the committee shall be from each of the Northern District and Southern District. The Nominating Committee shall make its report to the Board at least ninety (90) days before the date of the annual membership meeting. The Nominating Committee shall make as many nominations for election to directorship and officerships as is determined by the Board but not less than the

<p><i>ARTICLE IX Committees Section 10</i></p>	<p>number of vacancies to be filled.</p> <p>(b) <u>Meetings</u>. The President shall call a special meeting of the members of the Nominating Committee prior to January 31 of each year, in the manner for calling special meetings of the Board, for the purpose of nominating regular Directors and Officers.</p> <p>(c) <u>Voting</u>. Each member except the Chairperson shall have one (1) vote. The chairperson shall have one (1) vote in the event of a tie. Each Officer-Director shall be voted on separately and the nominee shall be the member receiving a plurality vote. Each Director shall be voted on separately and the two nominees shall be the members receiving a plurality vote.</p> <p>10. <u>Professional Development Committee</u>. The Professional Development Committee shall consist of a chairperson who shall be appointed by the President for a term of one (1) year subject to the approval of the Board, and at least four or more active members, for a term of one (1) year. The purpose of the Professional Development Committee is to identify and provide educational programs for members to improve their skills and knowledge, and promote the ethical and legal practice of funeral service through compliance education and training.</p>
<p><i>ARTICLE IX Committees Section 11</i></p>	<p>11. <u>Communications Committee</u>. The Communications Committee shall consist of a chairperson who shall be appointed by the President for a term of one (1) year subject to the approval of the Board, and at least four or more active members, for a term of one (1) year. The purpose of the Communications Committee is to disseminate information to CFDA members and to foster positive public opinion about the role and nature of funeral service. The Committee will act as liaison to related organizations and provide spokespersons for media inquiries.</p>
<p><i>ARTICLE IX Committees Section 12</i></p>	<p>12. <u>Past Presidents on Committees</u>. Notwithstanding any other section of these bylaws, any individual who has served as President of this association shall be eligible to serve on, or chair, any committee as appointed by the President, subject to Board approval.</p>
<p><i>ARTICLE X Officers Section 1</i></p>	<p><i>ARTICLE X</i></p> <p>1. <u>Officers</u>. The officers of the Corporation shall be a President, an Executive Director, a Vice-President, a Secretary and a Chief Financial Officer. The Corporation may also have, at the discretion of the Board, such other officers as may be appointed in accordance with the provisions of section 3 below. No person may hold more than one (1) office.</p>
<p><i>ARTICLE X Officers Section 2</i></p>	<p>2. <u>Election of Officers</u>. The President, Vice-President, Secretary, and Chief Financial Officer shall be chosen annually by written ballot in accordance with Article VI, Sections 6 and 7 of these Bylaws concerning nomination and election of directors, with such changes in the context of those Bylaws as are necessary to substitute the officers of the Corporation for the directors of the Corporation. Each officer shall hold office until he/she shall resign or shall be removed or otherwise disqualified to serve, or until his/her successor shall be elected, qualified and installed. The officers elected pursuant to this Section 2 shall automatically be elected as directors of the Corporation by virtue of their election as officers.</p>

ARTICLE X
Officers
Section 3

3. Appointment of Officers. At each annual membership meeting, following announcement of the results of the election of directors and officers, the President of the Corporation may appoint an Assistant Secretary, Assistant Chief Financial Officer, Sergeant-At-Arms, or Parliamentarian, each of whom shall hold office until he/she shall resign or shall be removed or otherwise disqualified to serve, or until his/her successor shall be appointed, qualified and installed. The President may also appoint such other officers as the Board may direct, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws and as the Board may from time to time determine. Each officer shall make a good faith effort to serve on each committee prior to serving as President.

ARTICLE X
Officers
Section 4

4. Removal of Officers. Any officer may be removed, either with or without cause, by a two-thirds (2/3) vote of the Board at any regular or special meeting, except that the Assistant Secretary, Assistant Chief Financial Officer, Sergeant-at-Arms or Parliamentarian may also be removed by the President. The absence of any officer from two (2) Board meetings during a fiscal year without excuse satisfactory to the Board shall be considered cause for removal.

ARTICLE X
Officers
Section 5

5. Appeal. An officer removed by the Board may, within 30 days, appeal the decision in writing to the President. The President shall, within ten (10) days of receipt of the appeal, schedule a meeting of the board either in person or by telecommunications to discuss such appeal. The decision of the Board shall be final and the officer so notified.

ARTICLE X
Officers
Section 6

6. Resignation of Officers. Any officer may resign at any time by giving written notice to the Board or to the President or to the Secretary. 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. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

ARTICLE X
Officers
Section 7

7. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board for the unexpired portion of the term.

ARTICLE X
Officers
Section 8

8. President. The President shall be the chief executive officer of the corporation. The President shall preside at all meetings of the members and of the Board, and shall appoint the chairpersons and members of the committees, subject to specific provisions of the Bylaws, together with such other powers and duties that may be prescribed by the Board or specifically by these Bylaws.

ARTICLE X
Officers
Section 9

9. Vice-President. In the absence of the President or in event of the President's inability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice Presidents in order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restriction upon the President. Any Vice-President shall perform such other duties as from time to time may be assigned by the President or by the Board.

ARTICLE X
Officers
Section 10

10. Chief Financial Officer. The Chief Financial Officer, who may also be known as the Treasurer, shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the

<p><i>ARTICLE X</i> Officers <u>Section 11</u></p>	<p>Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The Chief Financial Officer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board. He/she 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/her transactions as Chief Financial Officer 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 or the Bylaws. If required by the Board, the Chief Financial Officer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all its books, papers, vouchers, money, and other property of every kind in his/her possession or under his/her control on his/her death, resignation, retirement, or removal from office.</p>
<p><i>ARTICLE X</i> Officers <u>Section 12</u></p>	<p>11. <u>Secretary</u>. 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 directors committees and Members, with the time and place of holding same, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present at directors' meetings, the number of Members present at Members' meetings, and the proceedings thereof. The Secretary shall keep, or cause to be kept, a copy of the Articles of Incorporation, the Bylaws, as amended to date, and appropriate current records showing the names and mailing addresses of the Members of the Corporation. The Secretary shall give, or cause to be given, notice of all meetings of Members, directors and committees required by the Bylaws or by law to be given. The Secretary 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 or by the Bylaws.</p>
<p><i>ARTICLE X</i> Officers <u>Section 13</u></p>	<p>12. <u>Assistant Treasurers and Assistant Secretaries</u>. If required by the Board, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board.</p>
<p><i>ARTICLE X</i> Absences <u>Section 14</u></p>	<p>13. <u>Executive Director</u>. The Executive Director shall, subject to the control of the Board and in accordance with Article VI, Section 1 and Article VIII, Section 1 (c) and (i) of these bylaws, be delegated with the responsibility for the management and normal control of the business and operational affairs of the Corporation including special activities as directed by the Board. These vested duties and responsibilities are to run concurrent with the contract for services between the Corporation and the Executive Director. Membership in the Corporation is not a requirement for appointment. The Executive Director shall serve as an ex-officio member of the Board and committees, other than Nominating, without a vote.</p> <p>14. <u>Absences</u>. In the event of the absence of an officer, other than the President, other officers may be designated to perform their duties and responsibilities as necessary, with the approval of the majority of the executive committee.</p>
<p><i>ARTICLE XI</i> Dues and Finances <u>Section 1</u></p>	<p><i>ARTICLE XI</i> 1. <u>Fiscal Year</u>. The fiscal year of the Corporation shall begin on the first day of July and end on the thirtieth day of June in each year.</p>
<p><i>ARTICLE XI</i></p>	<p>2. <u>Dues to Which Members Are Subject</u>. The annual dues which the Members of</p>

Dues and Finances
Section 2

the Corporation shall be obligated to pay and which shall be established by the Board each year shall be as follows:

(a) Active Members. Active members shall pay not to exceed: (i) Three Hundred Fifty Dollars (\$350), with Affiliated Licensees as that term is defined in Article IV, 1(a) (iv) to pay a single fee not to exceed Three Hundred Fifty Dollars (\$350) per Affiliated Group; and (ii) a fixed amount per death certificate submitted by each Active Member during the preceding calendar year, provided, however, that in no event shall the annual dues payable by Active Members not to exceed One Dollar and Eighty Cents (\$1.80) per death certificate submitted by an Active Member and all of its Affiliated Licensees in the preceding calendar year. In no event shall dues for an Active Member (including all of an Active Member's Affiliated Licensees) exceed Forty Thousand Dollars (\$40,000) in a calendar year. In the event any Active Member was not a Licensee (as defined in Article IV, Section 1(a) (iv) herein) during the preceding calendar year, then the initial annual dues payable by such Active Member shall not exceed Three Hundred Fifty Dollars (\$350).

(b) Associate Members. The annual dues for Associate Members shall be determined by the Board.

(c) Special Members. The Board shall determine the annual dues payable by all Special Members which shall be based on the amount of gross sales in California; provided, however, that in no event shall the annual dues payable by Special Members exceed (i) Three Hundred Dollars (\$300) for Special Members whose gross sales in California for the preceding calendar year are under Five Hundred Thousand Dollars (\$500,000), (ii) Four Hundred Dollars (\$400) for Special Members whose gross sales in California for the preceding calendar year are at least Five Hundred Thousand Dollars (\$500,000) but less than One Million Dollars (\$1,000,000), and (iii) Five Hundred Dollars (\$500) for Special Members whose gross sales in California for the preceding calendar year are One Million Dollars (\$1,000,000) or more.

(d) Honorary Members. Honorary Members of the Corporation shall not be required to pay dues.

(e) Former Active Members. The annual dues for Former Active Members shall be determined by the Board.

ARTICLE XI
Dues and Finances
Section 3

3. Payment of Dues. Dues, except for Active Members, shall be payable on the first day of July of each fiscal year, and must be paid in full within thirty (30) days thereafter. Active Member dues shall be payable quarterly in four (4) equal installments, rounded to the nearest quarter dollar, on the first day of July, October, January and April of each fiscal year, and must be paid in full within thirty (30) days thereafter. The Board may, as an incentive, offer a discount to Active Members to encourage full payment of their annual dues. Such offer shall expire on July thirty-first (31) of each fiscal year when offered.

ARTICLE XI
Dues and Finances
Section 4

4. Assessments. The Board of Directors may from time to time levy assessment only upon Active Members but shall not levy assessments totaling more than Twenty-Five Dollars (\$25) in any one fiscal year without first obtaining written consent or vote of at least two-thirds of such members. No assessments shall be levied upon other members.

ARTICLE XI
Dues and Finances
Section 5

5. Checks, Drafts, Etc. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation

ARTICLE XI
Dues and Finances
Section 6

shall be signed by such Officer or Officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instrument shall be signed by the Chief Financial Officer or an Assistant Chief Financial Officer and countersigned by the President or Vice-President of the Corporation.

ARTICLE XI
Dues and Finances
Section 7

6. Contracts. The Board may authorize any Officer or Officers, agent or agents of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

ARTICLE XI
Dues and Finances
Section 8

7. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other federally insured depositories as the Board may select.

8. Gifts. The Board may accept on behalf of the Corporation any contribution, gift, bequest, or device for the general purposes or for any special purpose of the Corporation.

ARTICLE XI
Dues and Finances
Section 9

9. Books, Records and Financial Statements. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board, and committees having any of the authority of the Board and shall keep at the registered or principal office a record giving the names and addresses of the Members entitled to vote.

ARTICLE XI
Dues and Finances
Section 10

10. Inspection of Books and Records.

(a) Inspection by Members. All accounting books and records, minutes of proceedings of the Members, the Board and committees of the Board and membership lists and papers of the Corporation shall at all times, during reasonable business hours, be subject to the inspection of any Member or his/her duly appointed representative at the offices of the Corporation for any purpose reasonably related to the Member's interest as such. Member's rights of inspection hereunder shall be exercisable on ten (10) days' written demand on the Corporation, which demand shall state the purpose for which the inspection rights are requested. Inspection rights shall be subject to the Corporation's right to offer a reasonable alternative to inspection within ten (10) days after receiving the Member's written demand (as more particularly set forth in Section 8330 and following of the California Nonprofit Mutual Benefit Corporation Law). A Member's right of inspection includes the right to make extracts and copies of documents.

(b) Rules Regarding Exercise of Inspection Rights. The Board may establish reasonable rules with respect to (i) notice of inspection, (ii) hours and days of the week when inspection may be made, and (iii) payment of the cost of reproducing copies of documents requested by the Member.

(c) Inspection by Directors. Every director shall have an absolute right at any reasonable time to inspect all books, records, documents and minutes of the Corporation and the physical properties owned by the Corporation. The right of inspection by a director includes the right to make extracts and copies of documents.

ARTICLE XI
Dues and Finances
Section 11

11. Right to Receive Annual Report. The Corporation will within one hundred twenty (120) days after the close of its fiscal or calendar year mail to each active member upon request a statement of income and disbursements, statement of

	<p>changes in financial position and balance sheet as of the close of the calendar or fiscal year; a statement of the place where the names and addresses of current members are located; and a statement of any transaction or indemnification pursuant to Corporations Code Section 8322. The above information shall be accompanied by any report thereon of independent accountants or if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.</p>
<p><i>ARTICLE XII</i> Right of Indemnity <u>Section 1</u></p>	<p><i>ARTICLE XII</i> 1. Right of Indemnity. To the fullest extent permitted by law, this Corporation shall indemnify its directors, officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying those positions, 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 Corporation, by reason of the fact that such person is or was a person described by that Section. "Expenses", as used in this Bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.</p>
<p><i>ARTICLE XII</i> Right of Indemnity <u>Section 2</u></p>	<p>2. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or (c) of the California Corporations Code, the Board shall promptly determine in accordance with Section 7237(a) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237 (b) or (c) has been met and, if it has, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of Members. At that meeting, the Members shall determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237 (b) or (c) has been met and, if it has, the Members present at the meeting shall authorize indemnification.</p>
<p><i>ARTICLE XII</i> Right of Indemnity <u>Section 3</u></p>	<p>3. Advancement of Expenses. To the fullest extent permitted by law and except as is otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 1 and 2 herein in defending any proceeding covered by those sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.</p>
<p><i>ARTICLE XII</i> Right of Indemnity <u>Section 4</u></p>	<p>4. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of its officers, directors, employees, and other agents against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such.</p>
<p><i>ARTICLE XIII</i> Miscellaneous <u>Section 1</u></p>	<p><i>ARTICLE XIII</i> 1. Corporate Seal. The Board shall provide a corporate-seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation, the date of incorporation and "State of California."</p>
<p><i>ARTICLE XIII</i></p>	<p>2. Amendment of Bylaws. These Bylaws may only be adopted, amended or</p>

Miscellaneous
Section 2

repealed by the affirmative vote of a majority of the membership votes represented and voting at a duly held meeting at which a quorum is present or by written ballot conducted in accordance with Article IV, Section 5 hereof.

ARTICLE XIII
Miscellaneous
Section 3

3. Annual Statement of General Information. As and when required by Section 8210 of the California Nonprofit Corporation Law, the Corporation shall file with the Secretary of State of the State of California, on the prescribed form, a statement setting forth the authorized number of directors, the names and complete business or resident addresses of all incumbent directors, the names and complete business or residence addresses of the President, Secretary and Chief Financial Officer, the street address of its principal office in this state, together with a designation of the agent of the Corporation for the purpose of service of process.

ARTICLE XIII
Miscellaneous
Section 4

4. Construction and Definitions. Unless the context requires otherwise or a term is specifically defined herein, the general provisions, rules of construction, and definitions in the California Nonprofit Mutual Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, and singular number includes the plural and the plural number includes the singular as the context so requires.

ARTICLE XIII
Miscellaneous
Section 5

5. Term Completion Allowance. Notwithstanding any other section of these by-laws, a committee member, committee chairman, director or officer of this Association may complete his or her term of position or office to which he or she was elected or appointed regardless of the active membership status of the person, partnership, association, corporation or other organization that qualified him or her to serve in the position to which he or she was elected or appointed provided he or she remains in the employ of a funeral establishment licensed in the state of California. The Board of Directors may remove such member, chairman, director or officer without cause upon an affirmative vote of two thirds (2/3) of the directors present at any duly held Board meeting. The annual dues to be paid by such individual for the duration of his or her term will be determined by the Board.

Exhibit A





Code of Ethics

In order to foster and perpetuate high ethical standards in the funeral service profession, each member of this association hereby pledges to adhere to the following rules of professional conduct:

- To set an example of good citizenship by honesty and fairness in all dealings.
- To perform all services in a dignified and respectful manner.
- To respect the confidence of each family served.
- To observe all public health laws and support enactment of all just laws pertaining to the mortuary profession.
- To encourage the advancement of all facets of funeral service.
- To extend any assistance necessary in offering service in individual cases of actual hardship.
- To conduct all services in a manner that will assist in meeting the needs of the decedent, both religious and personal of all those served.
- To cooperate and deal fairly with other funeral directors.