

LOS ANGELES COUNTY FUNERAL DIRECTORS

BY-LAWS (Approved June 7, 2017 at Torrance, California)

LOS ANGELES COUNTY FUNERAL DIRECTORS ASSOCIATION, INC.

ARTICLE I. OFFICES.

The principle office of the corporation in the State of California shall be located in the County of Los Angeles. The corporation may have such other offices either within or without the County of Los Angeles as the Board of Directors may determine or as the affairs of the corporation may require from time to time.

ARTICLE II. MEMBERS.

Section 1. Classes of Members.

The corporation shall have two classes of members. The designation of such classes and the qualifications of the members of such classes shall be as follows:

(a) Active Members.

Any person, partnership, association or corporation engaged in the business of maintaining one or more funeral establishments in the county of Los Angeles shall be eligible for admission as an active member.

(b) Affiliate Members.

Any person, partnership, association or corporation engaged in the business of operating a funeral establishment outside of the county of Los Angeles or any cemetery or crematory that does not own, or is not owned by, a funeral establishment, shall be eligible for membership in the corporation as an affiliate member.

(c) Sponsor Members

Any business which deals with providing merchandise, supplies, advertising, assistance or any other industry related service, to funeral establishments, cemeteries or crematories, in any manner, shall be eligible for membership in the corporation as a sponsor member.

(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 Members

A former active member shall be an individual who was an owner, partner, corporate officer or proprietor of an active member LACFDA firm and who is now not in funeral service; further, that this individual served in one of the above capacities for an active LACFDA firm for the immediate 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.

Section 2. Definition of Active Members.

Any person, partnership, association or corporation eligible to become an active member and who directly or indirectly controls or has more than fifty per cent (50%) interest in either the voting power or the assets of any other person, partnership, association or corporation also engaged in the business of operating funeral establishments in the county of Los Angeles, or elsewhere, shall be entitled to one active membership, and such other persons, partnerships, associations and corporations shall not be entitled to become additional active members of this corporation.

Section 3. Application for Membership

Any person, partnership, association or corporation desiring to become a member of this corporation shall be required to make written application upon such forms as may be prescribed by the Board of Directors. All applications must be accompanied by the appropriate Application Fee as shown in the following schedule:

- (a) **Active Member.** The amount determined by their dues structure as shown in Article X Section 1 of these bylaws.
- (b) **Affiliate Member** – One hundred (\$100.00) dollars
- (c) **Sponsor Member** – One hundred (\$100.00) dollars
- (d) **Former Active Member** – One hundred (\$100.00) dollars

In the event the application is not accepted, said Application Fee shall be returned to the applicant. The Application Fee may be waived by the Board of Directors.

Application Fees paid by a newly elected member shall be pro-rated from the first day of the month in which such new member is elected to membership for the remainder of the fiscal year of the corporation.

Section 4. Voting Rights.

Each active member shall be entitled to one vote on each matter submitted to a vote of the members. Affiliate, Sponsor, Honorary and Former Active members shall not be entitled to vote.

Section 5. Termination of Membership.

The Board of Directors by affirmative vote of two-thirds (2/3) of all of the members of the Board may suspend or expel a member for cause after an appropriate hearing and by a majority vote of those present at any regularly constituted meeting, may terminate the membership of any member who becomes ineligible for membership, or suspend or expel

any member who shall be in default in the payment of any dues or assessments for the period fixed in Article X, Section 3, of these by-laws.

Section 6. Resignation.

Any member may resign by filing a written resignation with the Secretary

Section 7. Reinstatement.

Upon written request signed by a former member and filed with the Secretary, the Board of Directors by the affirmative vote of two-thirds (2/3) of the members of the Board, may reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

Section 8. Transfer of Membership.

Membership in this corporation is not transferable or assignable

Section 9. Interest in Corporation.

No member shall have any right or interest in the assets of the corporation.

Section 10. Liabilities for Debts or Liabilities for Obligations.

Members shall not be personally liable for the debts, liabilities or obligations of the corporation.

Section 11. Membership Book.

The corporation shall keep a membership directory containing the name and address of each member. Termination of any membership shall be recorded in the book.

Section 12. Certificates of Membership.

The corporation shall issue certificates of membership.

ARTICLE III. MEETINGS OF MEMBERS.

Section 1. Annual Meeting.

An annual meeting of the members shall be held in the month of September in each year, beginning with the year 1958, for the purpose of electing directors and officers and for the transaction of such other business as may come before the meeting.

Section 2. Special Meetings

Special Meetings of the members may be called by the President, the Board of Directors, or not less than one-tenth (1/10) of the members having voting rights.

Section 3. Place of Meetings.

The Board of Directors may designate any place, within the County of Los Angeles, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the principal office of the corporation; but if all of the

members shall meet at any time and place, either within or without the State of California, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 4. Notice of Meetings.

Written or printed notice stating the place, day and hour of any meeting of members shall be delivered either personally, by mail, or by electronic (email) delivery to each member entitled to vote at such meeting, not less than three (3) nor more than thirty (30) days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or by these by-laws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage thereon prepaid.

Section 5. Informal Action by Members

Any action required by law to be taken at a meeting of the members, or any action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Section 6. Quorum

The members holding fifty per cent (50%) of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 7. Proxies

At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the member or by his or her duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

ARTICLE IV. BOARD OF DIRECTORS.

Section 1. General Powers.

The affairs of the corporation shall be managed by its Board of Directors. Directors shall be active members of the corporation.

Section 2. Number, Tenure and Qualification.

- (a) The number of directors shall be a maximum of sixteen (16). Other than the four officers outlined in (b), the term of service shall be three (3) years. Each year up to four (4) directors shall be elected to serve a term of three (3) years. Each director shall hold office until their successor shall have been elected and qualified.

- (b) Included in the sixteen (16) shall be four (4) officers: President, Vice President, Secretary and Treasurer.

Section 3. Regular Meetings.

Regular meetings of the Board of Directors shall be held on the first (1st) Wednesday of each month at 12:00 Noon, or such other date, time and place as the Board may designate, without notice other than these by-laws.

Section 4. Special Meetings.

Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State, as the place for holding any special meeting of the Board called by them

Section 5. Notice.

Notice of any special meeting of the Board of Directors shall be given at least two (2) days previously thereto by written notice delivered personally or sent by mail or telegram to each director at his or her address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a "waiver of notice" of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at the meeting need not be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

Section 6. Quorum.

A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Acting

The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

Section 8. Vacancies

Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an increase in the number of directors, shall be filled by the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section 9. Compensation of Board.

No compensation shall be paid to directors. No remuneration shall be paid to a director for services performed by him or her for the corporation in any capacity, unless a resolution authorizing such remuneration shall have been adopted by the Board of Directors before the services were rendered. A director may not be an employee of the corporation.

Section 10. Removal of Directors.

The entire Board of Directors or any individual director may be removed from office as provided by Section 303 of the Corporations Code of the State of California.

Section 11. Absence from Meetings.

Any director who is absent from three (3) consecutive meetings without excuse satisfactory to the Board shall be deemed to have surrendered his or her office as a director.

ARTICLE V. OFFICERS.

Section 1. Officers.

The officers of the corporation shall be a President, Vice President, Secretary and Treasurer. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office.

The officers of the corporation shall be elected annually by the active members at the regular annual meeting of such members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

Section 3. Removal.

No officers shall be removed except upon the vote or written consent of a majority of the active members.

Section 4. Vacancies.

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

Section 5. President.

The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the members and of the Board of Directors. He may sign, with the secretary and any other proper officers of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these

by-laws or by statute to some other officer or agent of the corporation; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President.

In the absence of the President or in the event of his or her inability or refusal to act, the Vice President shall perform the duties of the President and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 7. Treasurer.

If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VII of these by-laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 8. Secretary.

The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for this purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws; keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

Section 9. Officers as Directors

The President, Vice President, Secretary and Treasurer shall also serve as directors of the corporation.

ARTICLE VI. COMMITTEES

Section 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 two or more Active Members or representatives of Active Member organizations, (who may also be Directors), and up to one Affiliate Member, one Sponsor Member and one Honorary

Member, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors 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 of Directors, or any individual director, of any responsibility imposed upon it, him or her by law.

Section 2. Finance Committee.

The Board of Directors by resolution adopted by a majority of the Board of Directors in office shall designate a finance committee which shall consist of two (2) or more directors. 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 audit of the books of account of the corporation by an independent firm of certified public accountants, which audit shall be presented to the Board of Directors within three (3) months after the close of each fiscal year.
- (c) To supervise the preparation of regular monthly statements of profit and loss, and quarterly balance sheets, for presentation to the Board of Directors at their regular monthly meetings.

Section 3. Nominating Committee.

The Board of Directors by resolution adopted by a majority of the Board of Directors in office shall designate a nominating committee composed of three directors. The duties of the nominating committee shall be as follows:

- (a) To advise the Board of Directors of the qualifications and eligibility for office of future directors and officers.
- (b) To nominate a maximum of four (4) or more active members for election as directors. The four (4) persons receiving the highest number of votes shall be declared as having been elected at the next annual meeting of the members.
- (c) To notify all active members at least fifteen (15) days prior to the next annual meeting of the names of the directors, or directors and officers nominated by the nominating committee and those which were approved or disapproved for nomination by the Board of Directors.

Section 4. Term of Office.

Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 5. Chairman

One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 6. Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 7. Quorum

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 8. Rules

Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the Board of Directors.

Section 9. Past President on Committees.

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.

ARTICLE VII. CONTRACTS, CHECKS, DEPOSITS AND FUNDS.

Section 1. Contracts.

The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, 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.

Section 2. Checks, Drafts, etc.

All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness if sued in the name of the corporation, 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 of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or a Vice President of the corporation.

Section 3. 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 depositories as the board of Directors may select.

Section 4. Gifts

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation.

ARTICLE VIII. BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any of the authority of the board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his or her agent or attorney for any proper purpose at any reasonable time.

ARTICLE IX. FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of October and end on the thirtieth day of September in each year.

ARTICLE X. DUES

Section 1. Annual Dues

The annual dues for each active member shall be paid on the basis of the number of mortuary cases handled and/or processed by such member during the preceding calendar year, including adult, indigent and infant cases and cases handled by all branch mortuary establishments located within the county of Los Angeles and by all other mortuary establishments within said county in which the member has direct or indirect control, or an interest in the assets, as set forth in Article II, Section 2, of these by-laws, and shall be payable at the rate of one dollar and twenty-five cents (\$1.25) per case on the first five hundred (500) cases but in no event shall the dues for any active member be less than seventy-five dollars (\$75.00) per year, nor more than six hundred twenty-five dollars (\$625.00) per year.

The annual dues for affiliate sponsors and former active members shall be one hundred (\$100.00) per year.

Honorary members are not subject to payment of dues.

Section 2. Payment of Dues.

Dues shall be payable in advance on the first day of October of each fiscal year. Dues of a new member shall be pro-rated from the first day of the month in which such new member is elected to membership for the remainder of the fiscal year of the corporation.

Section 3. Default and Termination of Membership.

When any member shall be in default in the payment of dues for a period of two (2) months from the beginning of the fiscal year, or in the payment of assessments, such member's right to vote shall automatically be suspended, and if such delinquency continues for a total period of six (6) months the membership of such member shall be automatically terminated.

Section 4. Assessments.

The Board of Directors may from time to time levy assessments upon the active members but shall not levy assessments totaling more than twenty-five Dollars (\$25.00) in any one fiscal year without first obtaining the written consent or vote of at least two-thirds (2/3) of such members. No assessments shall be levied upon affiliate, sponsor, honorary or former active members.

ARTICLE XI. SEAL

The Board of Directors 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".

ARTICLE XII. CORPORATE EXPENSES

The Board of Directors shall not incur or make any expenditures not set forth or provided for in the annual operating budget unless the Board of Directors first obtains the written consent of a majority of the members.

ARTICLE XIII. AMENDMENTS TO BY-LAWS

These by-laws may be altered, amended or repealed and new by-laws may be adopted by two-thirds (2/3) of the directors present at any meeting or any special meeting if at least three (3) days' written notice is given of intention to alter, amend or repeal or to adopt new by-laws by such meeting.

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