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BYLAWS OF  
HIGHLANDTOWN COMMUNITY ASSOCIATION, INC.

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ARTICLE 1: NAME

The name of this corporation is HIGHLANDTOWN COMMUNITY ASSOCIATION, INC.

ARTICLE 2: PURPOSES

This corporation has been formed for charitable purposes, for neighborhood improvement and historical preservation, as stated in greater detail in Article IV of the corporation's Articles of Incorporation.

In addition, this corporation is formed for the purposes of performing all things incidental to, or appropriate in, the achievement of the foregoing specific and primary purposes. However, the corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of its primary charitable purposes.

This corporation shall hold and may exercise all such powers as may be conferred upon a nonprofit corporation by the laws of the State of Maryland and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the corporation, provided, however, that in no event shall the corporation engage in activities which are not permitted to be carried on by a corporation exempt under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE 3: PRINCIPAL OFFICE AND BOUNDARIES

The initial principal office of the corporation shall be located in the City of Baltimore, State of Maryland. The Executive Board may at any time, or from time to time, change the location of the principal office from one location to another within said city.

The Executive Board (the Board) may at any time establish branch offices at any place where the corporation is qualified to do business.

The target area served by the corporation shall be the Highlandtown area of the City of Baltimore in the State of Maryland. Until changed by resolution of the Executive Board, the boundaries of this area shall be: on the south side, Eastern Avenue, and on the north side, Baltimore Street. The eastern boundary shall be on the east side of Haven Street and the western boundary shall be Ellwood Avenue.

## ARTICLE 4: NONPARTISAN ACTIVITIES

This corporation has been formed under the corporation law of the State of Maryland (the "Law") for the charitable purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the corporation shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

## ARTICLE 5: DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member, director or officer of this corporation. On liquidation or dissolution, all remaining properties and assets of the corporation shall be distributed and paid over to an organization dedicated to charitable purposes which has established its tax-exempt status under Internal Revenue Code Section 501(c)(3).

## ARTICLE 6: MEMBERSHIP

Section 1. Qualifications. Membership of the corporation shall consist of the persons named in the Articles of Incorporation and such other persons residing in the area set forth in Article 3, upon application and payment of dues. Any resident who subscribes to the purposes and policies of the corporation shall be eligible for membership on approval of the membership application by the Executive Board and on timely payment of such dues and fees as the Executive Board may fix from time to time. No person shall hold more than one membership. By payment of ten times the yearly dues a person may become a lifetime member.

Corporations or individuals doing business in or owning property within the corporation's target area as set forth in Article 3 but residing outside of the boundaries may apply as "Associate Members" by timely payment of dues. Associate Members may not vote or participate in discussions of the corporation's membership or Executive Board, but may submit comments in writing. Any regular member, including lifetime members, who become residents outside the area are converted to Associate members until the residence changes back to within the corporate boundaries.

Section 2. Rights of Membership. Members shall have the right to vote on the election of members of the Executive Board, the disposition of all or substantially all of the corporation's assets, any merger and its principal terms and any amendment of those terms, any election to dissolve the corporation, the amendment of the corporation's Articles of Incorporation or bylaws, and such other matters as set forth in these bylaws and the Law. This corporation may benefit, serve, or assist persons who are not members, but may restrict the provision of certain benefits, services, and assistance to members. No member shall be entitled to any dividend or any part of the income of the corporation.

Section 3. Other Persons Associated with the Corporation. The corporation may refer to persons associated with it as "members" even though those persons do not meet the qualifications for

membership as set forth in Article 6, Section 1 of these bylaws, but no such reference shall constitute anyone a member with the rights of membership.

Section 4. Dues, Fees, and Assessments. Members must pay, in advance on the first day of January of each year, annual dues in the amounts to be fixed by the members and/or Executive Board. Those members who have timely paid the required dues, fees, and assessments and who are not suspended shall be members in good standing. The Executive Board may require the payment of dues, fees, and assessments, in amounts to be fixed from time to time, by those persons associated with the corporation as described in Article 6, Section 3 of these bylaws. Lifetime members may make their one time payment at any time and will not be assessed again.

The annual dues shall cover all adults living in a dwelling in the area served by the corporation, as set forth in Article 3.

Section 5. Termination of Membership. A membership shall terminate on occurrence of any of the following events:

- (a) Resignation of the member, on reasonable notice to the corporation;
- (b) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;
- (c) Failure of the member to pay dues, fees, or assessments as set by the Board within ninety (90) days after they become due and payable;
- (d) Occurrence of any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or
- (e) Expulsion of the member under Article 6, Section 7 of these bylaws based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the corporation, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the corporation.

Section 6. Suspension of Membership. A member may be suspended under Article 6, Section 7 of these bylaws, based on the good faith determination by the Board, or a committee or person authorized by the Executive Board to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the corporation. A person whose membership is suspended shall not be a member during the period of suspension.

Section 7. Procedure for Expulsion or Suspension. If grounds appear to exist for expulsion or suspension of a member under Article 6, Sections 5 or 6 of these bylaws, the procedure set forth below shall be followed:

- (a) The member shall be given 15 days' prior notice, by any method reasonably calculated to provide actual notice, of the proposed expulsion or suspension and the reasons therefor. Any notice given by mail shall be sent by first-class, registered, or certified mail to the member's last address as shown on the corporation's records.

- (b) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed expulsion or suspension. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the expulsion or suspension should take place.
- (c) The Executive Board, committee, or person shall decide whether or not the member should be suspended, expelled or sanctioned in some other way. The decision of the Board, committee or person shall be final.
- (d) Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the expulsion, suspension, or termination.

Section 8. Transfer of Membership. No membership or right arising from membership shall be transferred. All membership rights cease on the member's death or dissolution or termination of membership pursuant to Article 6, Section 5 of these bylaws.

Section 9. Liability for Debts or Obligations. A member of the corporation is not, as such, personally liable for the debts, liabilities, or obligations of the corporation.

Section 10. Place of Meeting. Meetings of the corporation shall be held at the regular meeting place or such other locations as the President or Board may designate, provided written notice is given of such meetings to the membership. In the absence of any such designation, members' meetings shall be held at the corporation's principal office.

Section 11. Membership Meetings. The annual meeting of the membership shall be held in the month of November at the date and time set by the Executive Board in a notice to members. The Executive Board shall fix the date as provided in Article 6, Section 13. At this meeting, directors shall be elected and any other proper business may be transacted.

In addition to the annual meeting, regular monthly meetings of the members shall be held, unless cancelled by the Executive Board due to lack of business.

At regular meetings of the membership, the following order of business will be maintained:

- a. Reading of minutes of previous meeting,
- b. Treasurer's Report,
- c. Communications,
- d. The Executive Board Report,
- e. Report of Committees,
- f. Unfinished Business,
- g. Nominations and elections of Officers,
- h. New Business,
- i. Good and Welfare Association,
- j. Adjournment.

Section 12. Special Meetings. Special meetings of the membership or the Executive Board may be

called by the President at any time. Notice of special meetings must be given to the Executive Board at least three days in advance stating the time, place, and purpose thereof. No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

**Section 13. Notice of Meetings.** Whenever members are required or permitted to take action at a meeting, a notice of the meeting shall be given at least ten (10) but no more than ninety (90) days before the meeting date to each member entitled to vote at that meeting. The notice shall be given either personally or by household distribution, or by other means of written communication, charges prepaid, and may be addressed to each member entitled to vote at the address of that member appearing on the books of the corporation or at the address given by the member to the corporation for purposes of notice. If no address appears on the corporation's books and no address has been so given, notice shall be deemed to have been given if either sent in writing to the corporation's principal office or published at least once in a newspaper of general circulation in Baltimore City in which the corporation's principal office is located. The mailing or other means of giving any notice of any members' meeting may be recorded by the Secretary or any other party of the corporation giving the notice, and if so executed, shall be filed and maintained in the corporation's minute book.

Notices shall specify the place, date, and hour of the meeting and (1) for a special meeting, the general nature of the business to be transacted; or (2) for a regular meeting, those matters which the Board, at the time notice is given, intends to present for action by the members, but except as provided in Article 6, Section 14 of these bylaws, any proper matter may be presented at the meeting. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.

Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

- (a) removing a director without cause;
- (b) filling vacancies on the Board;
- (c) amending the Articles of Incorporation or bylaws;
- (d) electing to wind up and dissolve the corporation;
- (e) approving a plan of merger or consolidation; or
- (f) disposing of all or substantially all of the corporation's assets.

**Section 14. Invited Public Guests at Meetings.** Nothing herein shall be construed to prohibit the invitation of elected public officials to membership meetings; however, in no instance shall they be invited to any membership meeting within one month of a primary or general election in which they are participating unless invitation is approved by majority of the Executive Board.

**Section 15. Quorum.** Ten members shall constitute a quorum for the transaction of business at all meetings of the membership. Five Board members shall constitute a quorum at all meetings of the Executive Board. A majority of the votes cast at a duly constituted meeting of members shall be sufficient to pass any measure other than changes in the Articles and bylaws.

**Section 16. Adjournment.** Any member meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting, either in person or by proxy. No meeting may be adjourned for more than 60 days. When a member

ing is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting.

**Section 17. Voting.** Members entitled to vote at any meeting of members shall be those members of the corporation in good standing whose dues are not in arrears for 90 days or more. At a meeting, voting may be in person only. Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members. Cumulative voting is prohibited. If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number or voting by classes is required by the Articles of Incorporation, these bylaws, or the Law. In any election of members of the Executive Board, the candidates receiving the highest number of votes are elected. Each member shall have the right to vote for as many nominees as there are vacancies on the Executive Board to be filled by the members.

A waiting period of two months shall be required by any new member to vote. However, the members shall immediately be allowed all other privileges of this organization.

- A. Any person gaining membership is a member in good standing but cannot hold office within the first six months of membership.
- B. Any member of this organization can attend another organization's meeting as an individual, but cannot represent or speak for the corporation without approval of the President.

**Section 18. Record Date.** For purposes of determining the members entitled to notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action, the Board may, in advance, fix a record date. A member at the close of business on the record date shall be a member of record. The record date so fixed

- (a) For notice of a meeting shall not be more than 90 nor less than 10 days before the date of the meeting. If not otherwise fixed by the Executive Board, the record date shall be the next business day preceding the day on which notice is given or, if notice is waived, the next business day preceding the day on which the meeting is held.
- (b) For voting at a meeting shall not be more than 60 days before the date of the meeting. If not otherwise fixed by the Executive Board, the record date shall be the day on which the meeting or adjourned meeting is held.

**Section 19. Election of Officers and Executive Board Members.** The President shall appoint a Nominating Committee of not less than three and not more than six to select qualified candidates for election to the Executive Board and to serve as officers. This Nominating Committee shall make its report at the September membership meeting, and the Secretary shall forward to each member, with the notice of meeting required by these bylaws, a list of all candidates nominated by the Committee under this section. Nominations from the floor and elections will be in order at the November meeting. In nominating candidates, the Committee shall nominate persons who (a) have timely paid dues for at least one year, and (b) have attended at least three membership meetings, and shall seek to achieve the following goals regarding the nominees: diversity of backgrounds and skills relevant to the needs of

corporation, and such other goals as the Executive Board may establish.

If there is a meeting of members to elect members of the Executive Board, any member present at the meeting in person may place names in nomination.

The Executive Board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications and the reasons for the nominee's candidacy, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for all members to choose among the nominees. Without Board authorization, no corporate funds may be expended to support a nominee for member of the Executive Board after more people have been nominated for director than can be elected.

## ARTICLE 7: EXECUTIVE BOARD

Section 1. Powers. Subject to the provisions and limitations of the Law and any other applicable laws, and subject to any limitations in the Articles of Incorporation or bylaws regarding actions that require approval of the members, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Executive Board. The Executive Board may delegate the management of the day-to-day operation of the business of the corporation to a management company, committee (however composed), or other person, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Executive Board.

Section 2. Number of Board Members. The authorized number of members of the Executive Board of the corporation shall not be less than five (5), excluding the officers, nor more than twenty (20), including the officers, until changed by amendment of the Articles of Incorporation or these bylaws. The Executive Board shall fix the exact number of directors from time to time, within these limits. Until changed by the Board, the authorized number of directors shall be ten (10).

Section 3. Election, Designation, and Term of Office of Members of the Executive Board. The members of the Executive Board shall be elected at the annual meeting of members. They must be members of good standing and have attended at least three membership meetings. The initial Executive Board shall serve until their successors have been elected and seated at the first regular meeting of members. The term of office of each member of the Board shall be two (2) years, with staggered terms such that approximately half of the members of the Executive Board are elected annually. However, if all of the members of the Board to be elected are not elected at any regular meeting, they may be elected at any special members' meeting held for that purpose.

Each member of the Executive Board, including a member elected to fill a vacancy, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified. Members of the Board may serve any number of consecutive terms.

Section 4. Vacancies. A vacancy on the Executive Board shall exist on the occurrence of the following: (a) the death or resignation of any member of the Executive Board; (b) the declaration by resolution of the Board of a vacancy in the office of a member of the Board who has missed three (3) consecutive meetings of the Executive Board during any one calendar year; (c) the vote of the members to remove a member of the Board; (d) an increase in the authorized number of members of the Board; or (e) the failure of the members, at any meeting of members at which members of the Executive Board are to be

ted, to elect the number of members of the Executive Board required to be elected at such meeting.

Except as provided in this paragraph, any member of the Executive Board may resign effective upon giving written notice to the President, the Secretary, or the Executive Board, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. No member of the Executive Board may resign when the corporation would then be left without a duly elected director in charge of its affairs.

Vacancies on the Executive Board will be filled by appointment of the Chairperson subject to approval of two-thirds of the members present at the meeting. Prior to the removal of any member of the Executive Board, the member of the Executive Board to be removed shall have been notified in writing in the manner set forth in Article 6, Section 13 that such action would be considered at the meeting at which removal is voted.

No reduction of the authorized number of members of the Executive Board shall have the effect of removing any member of the Executive Board before that member's term of office expires.

Section 5. Meetings. The Executive Board shall meet monthly unless it determines that fewer meetings are necessary. Members of the Executive Board shall have full powers and authority over all affairs of the corporation between regular membership meetings. Meetings shall be held at any place designated by resolution of the Board, or, if not designated, at the principal office of the corporation. A meeting may also be held at any place consented to by the majority of the Executive Board, either before or after the meeting. Consents shall be filed with the minutes of the meeting. Any meeting may be held by conference telephone or other communications equipment permitted by the Law, as long as all members of the Executive Board participating in the meeting can communicate with one another and all other requirements of the Law are satisfied. All such members of the Executive Board shall be deemed to be present in person at such meeting.

Meetings of the Executive Board for any purpose may be called at any time by the President, or a majority of the Executive Board. Unless otherwise required by the Executive Board, notice of the date, time, and place of each monthly meeting shall be delivered personally to each member of the Executive Board or communicated to each member of the Executive Board by telephone (including a voice messaging system which records and communicates messages), facsimile, or electronic mail at least five (5) days before the date of the monthly meeting, or communicated by express mail service, first-class mail, or by other means of written communication, charges prepaid, addressed to the director at the director's address as it is shown upon the records of the corporation, deposited in the mails or given to the telegraph company or express mail company or other carrier at least seven (8) days before the date of the meeting. The notice need not specify the purpose of the meeting. Notice of a meeting need not be given to any member of the Executive Board who signs a waiver of notice or a consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior to the meeting or at its commencement, the lack of notice to such member of the Executive Board. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 6. Action at a Meeting. Presence of three (3) officers then in office but not less than one-third (33%) of the authorized number of members of the Executive Board at a meeting of the Executive Board constitutes a quorum for the transaction of business, except as otherwise provided in these



Every act done or decision made by a majority of the members of the Executive Board present at a meeting duly held at which a quorum is present shall be regarded as the act of the Executive Board, unless a greater number, or the same number after disqualifying one or more directors from voting, is required by the Articles of Incorporation, these bylaws, or the Law. Members of the Executive Board may not vote by proxy. A meeting at which a quorum is initially present, including an adjourned meeting, may continue to transact business notwithstanding the withdrawal of members of the Executive Board, if any action taken is approved by at least a disinterested majority of the required quorum for such meeting, or such greater number as required by the Articles of Incorporation, these bylaws or the Law.

**Section 7. Adjourned Meeting and Notice.** A majority of the member of the Executive Board present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment. Such notice may be waived in the manner provided for in Article 7, Section 5.

**Section 8. Action Without a Meeting.** The Executive Board may take any required or permitted action without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of such members of the Executive Board.

**Section 10. Fees and Compensation.** Members of the Executive Board and members of committees may not receive any compensation for their services as such, but may receive reasonable reimbursement of expenses incurred in the performance of their duties, including advances as provided in Article 8, Section 2, as may be fixed or determined by resolution of the Executive Board. Members of the Executive Board may not be compensated for rendering services to this corporation in any capacity other than member of the Executive Board, unless such compensation is reasonable and approved as provided in Article 8, Section 4.

**Section 11. Suspension of the Executive Board Members.** Any member of the Executive Board who absents himself from three consecutive meetings without excuse or failure to notify the President in advance thereof, may be suspended by a vote of two-thirds of the members present at the meeting when the matter is before the Board.

## ARTICLE 8: STANDARD OF CARE

**Section 1. General.** A member of the Executive Board shall perform the duties of a member of the Executive Board, including duties as a member of any committee of the Board on which the member of the Executive Board may serve, in good faith, in a manner such member of the Executive Board believes to be in the best interest of this corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a member of the Executive Board, a member of the Executive Board shall be entitled to rely on information, opinions, reports or statements, including financial

ments and other financial data, in each case prepared or presented by:

- (a) one or more officers or employees of the corporation whom the member of the Executive Board believes to be reliable and competent in the matters presented,
- (b) counsel, independent accountants or other persons as to matters which the member of the Executive Board believes to be within such person's professional or expert competence, or
- (c) a committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the member of the Executive Board believes to merit confidence,

so long as in any such case, the director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Except as provided in Article 8, Section 3, a person who performs the duties of a member of the Executive Board in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a member of the Executive Board, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which the corporation, or assets held by it, are dedicated.

Section 2. Loans. This corporation shall not make any loan of money or property to, or guarantee the obligation of, any member of the Executive Board or officer; provided, however, that this corporation may advance money to a member of the Executive Board or officer of this corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such officer or member of the Executive Board so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

Section 3. Self-Dealing Transactions. Except as approved in Section 4 below, the Executive Board shall not approve a self-dealing transaction. A self-dealing transaction is one to which the corporation is a party and in which one or more of the members of the Executive Board has a material financial interest or a transaction between this corporation and any person (other than a nonprofit corporation, tax exempt under Internal Revenue Code Section 501(c)(3)) in which one or more of the directors is a member of the Executive Board or between this corporation and any person in which one or more of its members of the Executive Board has a material financial interest. A member of the Executive Board shall not be deemed to have a material financial interest" in a contract or transaction that implements a charitable program of this corporation solely because the contract or transaction results in a benefit to a member of the Executive Board or his or her family by virtue of their membership in the class of persons intended to be benefited by the charitable program, as long as the contract or transaction is approved or authorized by the corporation in good faith and without unjustified favoritism.

Section 4. Approval. The Executive Board may approve a self-dealing transaction if the Board determines that the transaction is in the best interests of, and is fair and reasonable to, this corporation and, after reasonable investigation under the circumstances, determines that this corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Such determinations must be made by the Board, in good faith, with knowledge of the material facts

erning the transaction and the member's of the Executive Board interest in the transaction, and by the vote of the majority of the members of the Executive Board then in office, provided that a quorum is present, without counting the vote of the interested member(s) of the Executive Board.

**Section 5. Indemnification.** To the fullest extent permitted by law, this corporation shall indemnify its member of the Executive Board, officers, employees, agents, and volunteers, and including persons formerly occupying any such position, and their heirs, executors, and administrators, against all expenses (including attorneys' fees and disbursements), judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any action, suit, or proceeding, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a member of the Executive Board, officer, employee, agent, or volunteer of this corporation. Such right of indemnification shall not be deemed exclusive of any other rights to which such persons may be entitled apart from this Article 8, Section 5.

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification in defending any action, suit, or proceeding shall be advanced by the corporation before final disposition of the proceeding upon receipt by the corporation of an undertaking by or on behalf of that person to repay such amount unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

The corporation shall have power to purchase and maintain insurance to the fullest extent permitted by law on behalf of its members of the Executive Board, officers, employees, agents and volunteers, against any liability asserted against or incurred by such person in such capacity or arising out of the person's status as such, or to give other indemnification to the extent permitted by law.

## ARTICLE 9: COMMITTEES

The President may appoint Standing Committees, subject to approval of the Executive Board.

## ARTICLE 10: OFFICERS

**Section 1. Officers.** The officers of this corporation shall consist of a President, a Vice President, Secretary, Treasurer, and Sergeant-at-Arms, all of whom must (a) reside in the area covered by this corporation and (b) be members in good standing for one year at the time of the election. Nothing herein shall prohibit the nomination and election of such other officers as the members may, by majority present at a meeting create, and Assistant Sergeant-at-Arms. The same person may hold any number of offices, except that neither the Secretaries nor the Treasurer may serve concurrently as the President. In addition to the duties specified in this Article 6, officers shall perform all other duties customarily incident to their office and such other duties as may be required by law, by the Articles of Incorporation, or by these bylaws, subject to control of the Executive Board, and shall perform such additional duties as the Executive Board shall from time to time assign.

Officers shall serve their term of office commencing with the annual meeting in January and ending at the commencement of the appropriate annual meeting the following January. Any officer may resign at any time by giving written notice to the Executive Board, the President, or the Secretary of the corporation, without prejudice, however, to the rights, if any, of the corporation under any contract to which such officer is a party. Any resignation shall take effect on the date of the receipt of such notice or at any later time specified in the resignation; and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to that office. The compensation, if any, of the officers shall be fixed or determined by resolution of the Executive Board.

No member holding elected political office shall be eligible for any office in this corporation. Anyone holding office in a competing organization cannot be on the Executive Board or hold office in this organization. A "competing" organization is any organization which the corporation has reason to believe to have a conflicting purpose.

**Section 2. President (Executive Director).** Subject to the control, advice and consent of the Executive Board, the President, or in his absence, the Vice President, shall, in general, supervise and conduct the activities and operations of the corporation, shall keep the Executive Board fully informed, and shall see that all orders and resolutions of the Board are carried into effect.

The President shall also be the Chairperson of the Board, and when present, will preside at all meetings of the members and the Executive Board. The President is authorized to execute in the name of the corporation all contracts and other documents authorized either generally or specifically by the Board to be executed by the corporation.

The President shall appoint all Committees, and decide all questions of order and shall be entitled to vote only in cases of a tie. Any decisions of importance or major item for publication must be approved by the Executive Board.

Where appropriate, the Executive Board shall place the President under a contract of employment. The President shall be empowered to act, speak for, or otherwise represent the corporation between meetings of the Board. The President shall be responsible for the hiring and firing of all personnel, and shall be responsible for keeping the Board informed at all times of staff performance and for implementing any personnel policies adopted by the Board. The President is authorized to contract, receive, deposit, disburse, and account for funds of the corporation; to execute in the name of the corporation all contracts and other documents authorized either generally or specifically by the Board to be executed by the corporation; and to negotiate all material business transactions of the corporation.

**Section 3. Vice President.** The Vice President shall, in the absence of the President, or in the event of his or her inability or refusal to act, perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions on, the President.

**Section 4. Secretary.** The secretary shall perform those duties usually pertaining to that office and such other duties as the President may from time to time assign to that office.

The Secretary shall maintain the minutes of all meetings and mail notices of members present at all Board meetings and mail notices or otherwise notify members of meetings which may be called.

Section 5. Treasurer. In general, 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 corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

The Treasurer shall maintain the record of all members, receive their dues payments at meetings or from the membership chairman, and receive all funds and approve all bills. The Treasurer shall receive all monies paid. Said monies shall be deposited by him/her in any protected depository selected by the Executive Board on the account of the corporation. The Treasurer shall pay all bills approved by the Executive Board upon order drawn on him/her for the same. He shall make a report to the corporation annually, in addition to making monthly reports to the Executive Board and membership of all checks issued by him.

If required by the Executive Board, the Treasurer 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 Treasurer's office and for restoration to the corporation of all its books, papers, vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control on the Treasurer's death, resignation, retirement, or removal from office. The corporation shall pay the cost of such bond.

Section 7. Payment of Bills. All bills shall be paid by check signed by the Treasurer and either the President or Vice President.

## ARTICLE 11: EXECUTION OF CORPORATE INSTRUMENTS

Section 1. Execution of Corporate Instruments. The Executive Board may, in its discretion, determine the method and designate the signatory officer or officers or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon the corporation.

Unless otherwise specifically determined by the Executive Board or otherwise required by law, formal contracts of the corporation, promissory notes, deeds of trust, mortgages, and other evidences of indebtedness of the corporation, and other corporate instruments or documents, memberships in other corporations, and certificates of shares of stock owned by the corporation, shall be executed, signed, or endorsed by the President, Vice President and by the Secretary or Treasurer or any assistant Secretary or assistant Treasurer.

All checks and drafts drawn on banks or other depositories on funds to the credit of the corporation, or in special accounts of the corporation, shall be signed by such person or persons as the Executive Board shall authorize to do so.

Section 2. Loans and Contracts. No loans or advances shall be contracted on behalf of the corporation and no note or other evidence of indebtedness shall be issued in its name unless and except as the specific transaction is authorized by the Board of Directors. Without the express and specific authorization of the Board, no officer or other agent of the corporation may enter into any contract or

execute and deliver any instrument in the name of and on behalf of the corporation.

## ARTICLE 12: RECORDS AND REPORTS

Section 1. Maintenance and Inspection of Articles and bylaws. The corporation shall keep at its principal office the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the members and directors at all reasonable times during office hours.

Section 2. Maintenance and Inspection of Other Corporate Records. The corporation shall keep adequate and correct books and records of accounts; written minutes of the proceedings of its members, Board, and committees of the Board; and a record of each member's name and address. All such records shall be kept at such place or places designated by the Executive Board, or, in the absence of such designation, at the principal office of the corporation. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the corporation shall turn over to his or her successor or President, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the corporation as have been in the custody of such officer, employee, or agent during his or her term of office.

Every member of the Executive Board shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

On written demand of the corporation, any member may inspect, copy, and make extracts of the accounting books and records and the minutes of proceedings of the members, the Board, and committees of the Board at any reasonable time for a purpose reasonably related to the member's interest as a member.

Unless the corporation provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member.

- (a) Inspect and copy the records of members' names, addresses, and voting rights during usual business hours on five (5) days' prior written demand on the corporation, which demand must state the purpose for which the inspection rights are requested; or
- (b) Obtain from the Secretary of the corporation, on written demand and tender of a reasonable charge, an alphabetized list of names, addresses, and voting rights of members who are entitled to vote for the election of directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the member. The demand shall state the purpose for which the list is requested. The Secretary shall make this list available to the member on or before the later of ten (10) days after (i) the demand is received or (ii) the date specified in the

demand as the date as of which the list is to be compiled.

The corporation may, within ten (10) business days after receiving a demand under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons that the proposed alternative does not meet the proper purpose of the demand.

If the corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this Section, it may deny the member access to the membership list.

Any inspection and copying under this Section may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts. Any right of inspection extends to the records of any subsidiary of the corporation.

**Section 3. Reports.** The Executive Board shall cause an annual report to be presented to all directors and members of this corporation, within 120 days after the end of the corporation's fiscal year, containing the following information:

- (a) The assets and liabilities, including the trust funds, of this corporation at the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenues or receipts of this corporation, both unrestricted and restricted for particular purposes, for the fiscal year; and
- (d) The expenses or disbursements of this corporation for both general and restricted purposes during the fiscal year.

The report shall be accompanied by any pertinent report 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.

#### ARTICLE 13: FISCAL YEAR

The fiscal year for this corporation shall begin on January 1 and shall end on December 31.

#### ARTICLE 14: AMENDMENTS AND REVISIONS

Subject to the rights of members under this Article 14, the Executive Board may adopt, amend, or repeal bylaws by affirmative vote of a majority of those present at a regular meeting of the corporation, unless the action would materially and adversely affect the members' rights as to voting or

transfer. Proposed amendments to these bylaws must be in writing and sent to the directors at least seven (7) days in advance of the Board meeting at which they will be considered for adoption. The Executive Board may not extend the term of a director beyond that for which the members elected the director.

All amendments and alterations to the Articles of Incorporation and bylaws must be submitted at a regular meeting of the members of the corporation. All members shall be notified of the proposed changes and such motions shall be open at the next regular meeting of the membership.

Once members have been admitted to the corporation, the Board may not, without the approval of the members, adopt, amend, or repeal a bylaw provision that specifies or changes a fixed number of directors or the minimum or maximum number of members of the Executive Board, or changes from a fixed number of members of the Executive Board to a variable number of members of the Executive Board or vice versa.

If any provision of these bylaws requires the vote of a larger proportion of the Executive Board or the members than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

Without the approval of the members, the Executive Board may not adopt, amend, or repeal any bylaws that would:

- (a) Increase or extend the terms of members of the Executive Board;
- (b) Increase the quorum for members' meetings;
- (c) Repeal, restrict, create, expand, or otherwise change members' proxy rights;
- (d) Authorize cumulative voting;
- (e) Increase the number of directors appointed by the Board rather than elected by the members; or
- (1) Authorize the Board to fill a vacancy created by the removal of a director by the members.

New bylaws may be adopted, or these bylaws may be amended or repealed, by approval of the members. Any provision of these bylaws that requires the vote of a larger proportion of the members than otherwise is required by law may not be altered, amended, or repealed except by the vote of that greater number. No amendment may extend the term of a director beyond that for which the director was elected.

#### ARTICLE 15: CORPORATE SEAL

The Executive Board may adopt, use, and alter a corporate seal. The seal shall be kept at the principal office of the corporation. Failure to affix the seal to any corporate instrument, however, shall not affect the validity of that instrument



ARTICLE 16: CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the corporation law of the State of Maryland as amended from time to time shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term persons includes a corporation as well as a natural person. If any competent court of law shall deem any portion of these bylaws invalid or inoperative, then so far as is reasonable and possible (i) the remainder of these bylaws shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting Secretary of the Highlandtown Community Assn a MD nonprofit corporation, and the above bylaws, consisting of 17 pages, are the bylaws of this corporation as adopted by the Executive Board on April 16, 2001 and by the Membership on ~~April~~ <sup>May</sup> 21, 2001, and that they have not been amended or modified since that date. Executed on ~~April~~ <sup>May</sup> 21, 2001 at \_\_\_\_\_.

Agnes J Arnold  
Secretary