

Approved, June 2017

WASHINGTON METROPOLITAN CHAPTER
COMMUNITY ASSOCIATIONS INSTITUTE

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**THE WASHINGTON METROPOLITAN CHAPTER
OF THE COMMUNITY ASSOCIATIONS INSTITUTE**

BYLAWS

ARTICLE I

NAME AND OFFICE

Section 1. Name

The name of this organization shall be The Washington Metropolitan Chapter of Community Associations Institute (“Chapter”).

Section 2. Incorporation; Registered Office

The Chapter is a corporation, incorporated in the District of Columbia and is a chapter of the Community Associations Institute (“CAI”). The address, including street and number of its registered agent is 1025 Connecticut Avenue, N.W., Washington, D.C. 20036, and the name of its registered agent at such address is Resagent, Inc.

ARTICLE II

DEFINITIONS

Section 1. Definitions

a. “Community Association” means any incorporated or unincorporated association comprised of the owners of interests in a residential, commercial, or industrial condominium, real estate cooperative, planned unit development or other real estate common interest community.

b. “Homeowner” means an owner or proprietary lessee of a home, lot or other unit in a Community Association, provided, however, that no bank, savings association or other institutional lender shall be a Homeowner, and no original or successor declarant or other developer or manager (or an employee of the manager) of a Community Association shall be a Homeowner with respect to that Community Association.

c. “Board of Directors” means the Board of Directors of the Chapter and “Director” means a member of the Board of Directors.

d. “Board of Trustees” means the National Board of Trustees of CAI and “Trustee” means a member of CAI’s Board of Trustees.

e. “Areas of specialization” refers to members’ primary area of employment, involvement or expertise in the Community Association industry; for example, homeowner, manager, attorney, CPA/accountant, insurance agent/risk manager, engineer/reserve study specialist, associate-vendor, builder/developer, mortgage lender/banker/investment advisor, public official, educator. These are determined by the Board of Trustees from time to time.

ARTICLE III

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MEMBERSHIP

Section 1. General Requirements

Applications for membership in CAI and within any class of membership of CAI shall be approved in accordance with the terms of CAI's Bylaws and such rules, procedures and limitations as may be established by the Board of Trustees from time to time. CAI shall have the right to determine the appropriate class of membership for any member. Membership in CAI is as authorized by CAI. Members are automatically assigned to a CAI certified chapter in accordance with established chapter boundaries.

Section 2. Conflict of Interest.

All chapter board members and committee members shall comply with the conflict of interest policies adopted by the Board of Trustees and stricter policies as may be established by the Chapter.

Section 3 Classes of Members

A. Community Association Volunteers. All individuals residing or owning a unit in a community association are eligible for membership as a Community Association Volunteer, including, without limitation, individuals living in community associations who have a volunteer role within their community association. Volunteer roles include, but are not limited to, being a member or officer of the governing body of the community association, participating on a volunteer committee or committees, acting as the newsletter editor for the community, or any other volunteer function sanctioned by the community association. An individual who meets the aforementioned criteria and also holds a membership as a Community Manager, Management Company CEO or Business Partner may hold an additional membership as a Community Association Volunteer, however, he may not serve in a CAI volunteer position under the Community Association Volunteer category. Community Association Volunteers will be considered as individual Members of CAI with voting rights. Community associations paying dues on behalf of a community association volunteer or volunteers shall own each such membership and shall be permitted to transfer each membership to another volunteer in the community association during the term of membership or upon renewal of the membership. Individuals paying dues with their personal funds shall be the only individual entitled to exercise the rights of membership and such membership shall not be transferable.

B. Community Managers. This class of Members shall consist of professional managers of all types of association-governed communities including, but not limited to, condominium associations, town home associations, co-operative associations, homeowner associations, large-scale communities, and planned communities. All managers of association-governed communities fall within this class of Members, regardless of whether they are on-site managers, portfolio managers, large-scale managers, are employed by a management company or have any other employment relationship. Those persons who have previously served in one of the roles in the preceding sentence and serve in a capacity of managing other managers shall be a Member of this class. All community managers shall be treated as individual Members of CAI. A management company or employer of a manager purchasing the individual membership on behalf of a manager or managers, shall own each such membership and shall be permitted to transfer each membership to another manager during the membership term or upon renewal of the membership, but only in the event the manager originally identified is no longer employed by the management company. Individuals purchasing a membership with their personal funds shall be the only individual entitled to exercise the rights of membership and such membership shall not be transferable.

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C. Business Partners. This class of Members shall consist of professionals and other providers of products, services, support, and counsel to association-governed communities, including developers of such communities. This class of Members shall not include community association management companies or managers of association-governed communities. The company, partnership, corporation or other business entity may transfer a contact designation to another individual in the company, partnership, corporation or other business entity during the membership term or upon renewal of the membership. Employees of a business partner member will be permitted to attend classes, functions, conferences, to purchase products and services at membership prices, and be elected to committees or the Board of Directors. Business partner members shall be entitled to cast one vote on any and all matters required to be voted upon by the members and shall have such other rights, privileges and responsibilities as they Board of Directors may determine from time to time provided those rights and privileges are consistent with those determined by the Board of Trustees. The primary contact for the business partner membership may have the right to cast a vote or the right to designate one individual from the company to cast a vote.

D. Management Companies. This class of Members shall consist of community association management companies. Each management company membership shall include an individual manager membership to be held by the CEO or equivalent of the management company. Whenever the term “CEO of a management company” is used in these By-Laws, it shall mean the CEO or equivalent of a management company. Management companies shall not transfer this manager membership to multiple managers during the course of the membership term for the purpose of obtaining membership pricing for managers who do not hold an individual manager membership. Employees of the management company, who are not employed to manage or provide services to association-governed communities, may attend classes and functions at the membership price.

Section 4. Rights and Privileges

A. Chapter Rights and Privileges. Each Member in good standing of the Chapter shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such other rights, privileges and responsibilities as the Board of Directors shall determine from time to time. Except as otherwise provided in these Bylaws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the Chapter Board of Directors and committees.

B. CAI Rights and Privileges. Each Member in good standing of CAI shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such rights, privileges and responsibilities as the Board of Trustees shall determine from time to time. Except as otherwise provided in these Bylaws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the CAI Board of Trustees, Membership Representation Groups, and committees.

Section 5. Suspension for Nonpayment of Dues; Censure, Suspension, Expulsion and Termination of Membership

The Chapter may adopt reasonable policies to suspend certain membership rights and privileges resulting from nonpayment of amounts due and owing to the Chapter or CAI.

ARTICLE IV

ANNUAL DUES

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The Board of Trustees shall determine the amount of annual dues, fees, and other assessments to be paid to CAI by each class of Members. Unless terminated, each membership shall continue automatically from year to year, with annual dues, fees, and other assessments payable by each Member on or before such date as shall be determined by the Board of Trustees. Unless otherwise directed by the Board of Trustees, all annual dues, fees, and other assessments shall be paid to CAI in advance of the 12-month period to which they relate. The Board of Trustees may from time to time impose such other fees and charges as it deems proper and may waive or modify the requirement to pay dues, fees or charges for particular Members.

ARTICLE V

MEETINGS OF MEMBERS

Section 1. Annual Meeting

There shall be an annual meeting of Members of the Chapter for the transaction of such business as may properly come before the meeting or any adjournment thereof. The annual meeting shall be held at such time and place as the Board of Directors may determine. Written notice of such meeting stating the date, time and place of such meeting shall be sent to each Member, at the last address shown on the Chapter's records, at least 15 days before the date of the meeting, or as provided by state law.

Section 2. Special Meetings

Special meetings of the Members may be called only by the Board of Directors or otherwise in accordance with applicable law. A special meeting shall be held at such time and place as the Board of Directors may determine. Written notice of any special meeting stating the date, time, place and purpose of such meeting shall be sent to each Member, at the last address shown on the Chapter's records, at least 15 days before the date of the meeting, or as provided by state law.

Section 3. Notices

Unless otherwise prohibited in these Bylaws or by state law, all notices and other communications required by these Bylaws or state law shall be in writing and shall be deemed to have been duly given if delivered by:

- A. Personal delivery to the addressee; or
- B. United States mail, first class, postage prepaid; or
- C. Any means permitted by law.

Section 4. Quorum

Five percent (5%) of the total members of the Chapter present in person or by ballot shall constitute a quorum for the transaction of business at any duly called meeting of the members. At any duly called meeting of the members at which a quorum is present, the act of a majority of the members present in person or by ballot shall be the act of the members on any matter, except where the act of a greater number of members is required by law, the Articles of Incorporation or these Bylaws. If a quorum is not present at any duly called meeting of the members, a majority of the members present may adjourn

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the meeting from time to time, without further notice, until a quorum is present. Responses from five percent (5%) of the total members of the Chapter shall constitute a quorum for any action taken by ballot without a meeting.

Section 5. Voting

- A. Voting at Meetings of Members. Voting at meetings of the members may be done in person or by ballot in accordance with the procedures adopted by the Board of Directors.
- B. Voting by Ballot without a Meeting. Voting on all matters that may come before the members at a meeting may be taken without a meeting and conducted by ballot in accordance with the procedures adopted by the Board of Directors. The record date for any actions by ballot without a meeting shall be not more than 70 days before the date the ballot must be received by the Chapter. Written solicitations for votes by ballot shall be sent to all members at least 21 but no more than 60 days from the date the ballot must be received by the Chapter. In accordance with the requirements of the Nonprofit Corporation Act of 2010, all written solicitations for votes by ballot must state the number of responses needed from members to meet quorum requirements and state the percentage of approvals necessary for each matter being voted upon for any matter other than election of directors.

Section 6. Electronic Communications.

Whenever these By-Laws require that a document, record or instrument be “written” or “in writing,” the requirement is deemed satisfied by an electronic record if the Board of Directors has affirmatively published regulations permitting an electronic record or document as a substitute for a written item.

Whenever these Bylaws require a signature on a document, record or instrument, an electronic signature satisfies that requirement only if: (a) the Board of Directors has affirmatively published regulations permitting an electronic signature as a substitute for a written signature; and (b) the electronic signature is easily recognizable as a secure electronic signature which is capable of verification, under the sole control of the signatory, and attached to the electronic document in such a way that the document cannot be modified without invalidating the signature; or (c) the Board of Directors reasonably believes that the signatory affixed the electronic signature with the intent to sign the electronic document, and that the electronic document has not been modified since the signature was affixed.

The Board of Directors may require reasonable verification of any electronic signature, document, record or instrument. Absent or pending verification, the Board may refuse to accept any electronic signature or electronic record that, in the Board’s sole discretion, is not clearly authentic. Neither the Board of Directors nor the Chapter shall be liable to any Member for accepting or acting in reliance upon an electronic signature or electronic record that the Board reasonably believes to be authentic, or rejecting any such item which the Board reasonably believes not to be authentic. Any Member who negligently, recklessly or intentionally submits any falsified electronic record or unauthorized electronic signature shall fully indemnify the Chapter for actual damages, reasonable attorneys’ fees actually incurred and expenses incurred as a result of such acts.

ARTICLE VI

BYLAWS

BOARD OF DIRECTORS

Section 1. Powers of the Board of Directors

The Board of Directors shall have supervision, control and direction of the affairs and property of the Chapter, shall determine the policies of the Chapter, shall actively pursue the purposes and objectives of the Chapter and CAI, shall insure that the Chapter and its Bylaws comply with the policies and procedures of CAI, and shall have discretion in the use and disbursement of Chapter funds. The Board of Directors may adopt such rules, regulations and procedures for the conduct of its business, for the execution of its powers, for the implementation of these Bylaws and for the fulfillment of the purposes and objectives of the Chapter and CAI as it shall deem necessary or advisable.

Section 2. Composition of the Board

A. Following the 2020 Annual election, the Board of Directors shall be composed of eleven (11) Directors. No more than one person from any company or association, at the time of election, may serve on the Board at any one time. At the 2018 election of the Board of Directors, four Directors shall be elected, thus reducing the size of the Board of Directors to fourteen (14) Directors. At the 2019 election of the Board of Directors, four Directors shall be elected, thus reducing the size of the Board of Directors to thirteen (13) Directors. At the 2020 election of the Board of Directors, three Directors shall be elected, thus reducing the size of the Board of Directors to eleven (11) Directors. If a member, while serving on the Board, changes membership representation group, and the maximum permissible number of persons from the member's "new" membership representation group already serve on the Board, that member shall be deemed to have resigned from the Board. If a sitting Board member changes positions and joins the firm, association, company or organization of a member already on the Board, one of those members shall be deemed to have resigned from the Board.

B. Composition: As of the 2020 annual election, the Board of Directors must represent all membership classes as follows:

Eleven (11) Directors, which shall include:

- ♦ Two (2) Community Association Volunteers
- ♦ Two (2) Community Association Managers
- ♦ Two (2) Business Partners
- ♦ Five (5) At-Large Members

Following the 2018 annual election, the Board of Directors shall consist of three (3) Community Association Volunteers, three (3) Community Association Managers, three (3) Business Partners and six (6) At-Large Members. Following the 2019 annual election, the Board of Directors shall consist of three (3) Community Association Volunteers, three (3) Community Association Managers, three (3) Business Partners and four (4) At-Large Members

The composition of At-Large seats on the Board of Directors shall not provide any one membership class with more than fifty percent (50%) of the seats on the Board of Directors.

In the event that a Director's class of membership changes during his term of service, he shall complete the remainder of the current election year, so long as the makeup of the Board is not compromised, in which case his slot will be automatically forfeited. Any subsequent Board service must be in a position designated for his then class of membership.

- b. Board immediately.

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Section 3. Term of the Board

Each Director shall serve for a term of three (3) years or until his successor has been appointed. Board of Directors terms shall be staggered so that the terms of not more than one-third of the Directors expire each year. A Member may serve on the Board of Directors for a total of six (6) years (which need not be consecutive) before the Director is prohibited from serving on the Board of Directors for a period of three years. A Director shall be eligible to serve on the Board after that three year period expires, at which time, they begin the process of accumulating their six (6) years again.

Section 4. Nomination and Election of Directors

A. Except as otherwise provided in these Bylaws, each Member in good standing shall be eligible for nomination to serve as a Director.

B. The Nominating Committee shall solicit candidates for open Director positions by communicating with the membership no later than 75 days prior to the Director Election Date and in such manner and with such frequency as the Nominating Committee deems appropriate and in accordance with these Bylaws and such rules and procedures as may be established by the Board of Directors.

C. Nominations for candidacy shall be received by the Nominating Committee no later than 45 days prior to the Director Election Date and in accordance with these Bylaws and any such rules and procedures as may be established by the Board of Directors.

D. The Nominating Committee shall prepare a ballot of qualified candidates, which shall be distributed to eligible voting members at least 30 days before the Director Election Date. The election may take place via paper ballot, internet election or in any manner allowed by state law. Persons receiving the highest number of votes shall be elected; in the event of a tie, a run-off election will be held, and the person(s) receiving the highest number of votes shall be elected.

Section 5. Meetings

The Board of Directors shall hold a minimum of one (1) meeting quarterly at such time and place as the Board of Directors may determine. In addition, special meetings of the Board of Directors may be called by the President or upon the written request of one-third (1/3) of the Directors or upon the written request of the Executive Director, at such time and place as the President, or President-Elect, as the case may be, may designate. Any or all Directors may participate in duly called meetings of the Board of Directors by means of conference telephone or by any means of communication by which all persons participating in the meeting are able to hear one another, and such participation shall constitute presence in person at a meeting. Notice of meetings of the Board of Directors may be given orally or in writing and shall be given to each member of the Board of Directors at least 72 hours before the time appointed for the meeting, except in an emergency, when notice should be given at least twenty-four (24) hours, where practicable, before the time appointed for the meeting. Such notice may be waived in accordance with applicable law. All Board meetings held in person shall be open to all Chapter members, but members other than Directors may not participate in any discussion or deliberation unless expressly authorized by the Board of Directors. Notwithstanding the above, the Board of Directors may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which CAI or the Chapter is or may become involved, contract negotiations, matters that, in the exercise of the Board's reasonable discretion, require personal privacy, or other matters that require confidentiality. The nature of

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any and all business to be considered in executive session shall first be announced in open session.

Section 6. Waiver of Notice.

Whenever any notice is required to be given to any Director under these Bylaws, a written waiver thereof, signed by the Director or Directors entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Presence without objection also waives notice.

Section 7. Action by Written Consent.

Any action required or permitted to be taken at a meeting of the Board of Directors or of any committee thereof may be taken without a meeting if a written consent setting forth the action so taken shall be signed by all members of the Board of Directors or of such committee, as the case may be, and such unanimous written consent shall have the same force and effect as a unanimous vote at a meeting of the Board of Directors or at a meeting of such committee, as the case may be. All such action shall be reported at the next duly called meeting of the Board of Directors.

Section 8. Quorum; Acts of the Board.

A majority or more of the Directors shall constitute a quorum for the transaction of business at any duly called meeting of the Board of Directors. At any duly called meeting of the Board of Directors at which a quorum is present, the act of a majority of the Directors present and voting shall be the act of the Board of Directors on any matter, except with respect to public policy issues or where the act of a greater number of Directors is required by law, the Articles of Incorporation or these Bylaws. *Ex officio* members of the Board of Directors shall not be counted for purposes of determining the presence of a quorum or the number of Directors required to constitute an act of the Board of Directors. If a quorum is not present at any duly called meeting of the Board of Directors, a majority of the Directors present may adjourn the meeting from time to time, without further notice, until a quorum is present.

Section 9. Votes on Matters Related to Public Policy

All matters involving a public policy position of the Chapter must be adopted by a two-thirds (2/3) vote of those Directors present and voting at a duly called meeting of the Board of Directors, a quorum being present, and must be consistent with the policies, goals and objectives of CAI.

Section 10. Resignation or Removal

A. Resignation: Any Director may resign by presenting a written resignation to the Secretary, and such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of receipt thereof by the Secretary.

B. Removal:

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1. A Director who is absent from three (3) duly called regular meetings during any six (6) month period shall be deemed to have resigned as a Director. Such resignation shall become effective thirty (30) days after notification is forwarded by the Secretary of the Board, following the third such absence to the Director. The resigned Director shall be given an opportunity to provide a written explanation of good cause shown (as defined below) within the thirty (30) day period. The Board shall have the discretion following such notice, to refuse such resignation for good cause shown such as illness, emergency situations or other extenuating circumstances. If the resigned Director fails to provide written explanation of good cause shown the Director shall have resigned. The Secretary shall notify the individual in writing whether or not a resignation has been accepted.
2. Notwithstanding the above, in the event a Director is absent from a total of five (5) duly called regular meetings during any twelve (12) month period, the Director shall be deemed to have resigned as a Director and that such resignation shall be accepted by the Board, without exception.

If the resignation has been accepted, a successor shall be appointed in a manner prescribed by these Bylaws. A Director may be removed from office with or without cause, by a two-thirds (2/3) vote of the WMCCAI members; provided, however, that such Director shall be afforded an opportunity to be heard, either orally or in writing, prior to any such action.

Section 11. Vacancies

Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of a majority of the then members of the Board of Directors at a duly called meeting of the Board at which a quorum is present, even though less than a quorum of the Board may constitute the majority vote. Any Director appointed to fill a vacancy shall serve until the next annual election following their appointment. The successor director elected in the next annual election shall serve the remainder of the unexpired term. Unexpired terms may vary from one to two years and, if there are more than one such unexpired vacant terms, then the unexpired terms shall be assigned to the newly elected directors (who are not required to fill a full term position to maintain proper membership group representation) based upon which directors obtain the lowest vote tallies at the election (with the lowest receiving the one year unexpired term, if any).

Section 12. Reimbursement of Expenses

No Director shall be compensated for serving as a Director; provided, however, that the Board of Directors may reimburse any Director for reasonable out-of-pocket expenses incurred as budgeted and authorized by the Board of Directors.

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ARTICLE VII

OFFICERS

Section 1. Officers

The elected officers of the Chapter shall be a President, a President-elect, a Vice President, a Treasurer and a Secretary. The Executive Director shall be a non-elected officer. The Board of Directors may from time to time appoint such other officers, as the Board may deem necessary or advisable. The Immediate Past President of the Chapter shall be an *ex officio* member of the Executive Committee of the Board of Directors, for the one year directly following term as President, without voting rights. Such other officers shall not be deemed elected Officers of CAI for purposes of these Bylaws.

Section 2. Qualifications, Election and Term of Office

The officers of the Chapter, with the exception of the President, shall be elected from among the Directors each year by the Board of Directors by a majority vote of the Board. Each officer shall serve for a term of one year or until a successor has taken office. The President-Elect shall serve for one (1) year and directly following the conclusion of that year of service shall serve as President for one (1) year. In the event a member of the Board is elected to serve as President-Elect during the last year of his term on the Board, that individual will automatically be granted one (1) additional year to serve as President. The partial term remaining shall be filled by the successor Director receiving the least number of votes. In the case of a person who serves as President-Elect in his sixth year on the Board, such person will be permitted to serve seven (7) years to complete his term as President.

Section 3. Removal

Any officer may be removed by a majority vote of the entire Board of Directors if, in the judgment of the Board, the best interests of the Chapter would be served by such removal.

Section 4. Vacancies

Vacancies in any office, with the exception of President, may be filled for the balance of the remaining term by the Board of Directors at a meeting of the Board in accordance with such rules and procedures as may be established by the Board. In the event of a vacancy in the office of President, the President-elect shall act as President for the unexpired portion of the term of office of the predecessor in such office and shall succeed to such office upon the expiration of the term.

Section 5. President

The President shall be the chief elected officer of the Chapter, shall be a member of the Executive Committee, shall be an *ex officio* member of all other committees of the Board of Directors, and shall preside at all meetings of the members and the Board of Directors and the Executive Committee. Unless otherwise provided in these Bylaws or directed by the Board of Directors, the President shall appoint the chairs of all councils, committees and task forces that serve during the President's term of office. The President shall have the authority to represent the Chapter and act in its name in accordance with the declared policies of the Chapter and CAI. The President shall communicate to the members of the Chapter and to the Board of Directors such matters and make suggestions as may tend to promote and further the purposes and objectives of the Chapter and CAI, and the President shall perform such other duties as are necessary or incident to the office of President or as may be assigned by the Board of

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Directors.

Section 6. President-elect

The President-elect shall perform the duties of the President in the President's absence or in the event of resignation, removal or inability or refusal to act. The President-elect, when so acting, shall have all the powers and responsibilities of the President. The President-elect shall be responsible for overseeing the implementation of the Chapter's strategic plan in consultation with the President and the Executive Director and shall be the chair of the Strategic Planning Committee, if any. The President-elect shall serve on the Nominating Committee. The President-elect shall also perform such other duties as may be assigned by the President or the Board of Directors.

Section 7. Vice President

The Vice President shall perform the duties of the President-elect in the President-elect's absence or in the event of resignation, removal or inability or refusal to act. The Vice President, when so acting, shall have all the powers and responsibilities of the President-elect. The Vice President shall chair the Council and shall be responsible to ensure that the committees execute their assigned tasks under the strategic plan. The Vice President will convene and preside over meetings of the Council and shall be responsible, in coordination with the Council Chairs, for presenting a monthly report to the Board of Directors on the activities within each Council. The Vice President shall also perform such other duties as may be assigned by the President or the Board of Directors.

Section 8. Treasurer

The Treasurer shall be the custodian of Chapter funds and securities, and shall be the disbursing officer for the Chapter and shall provide to the Executive Committee and to the Board of Directors an annual report of all receipts and disbursements of the Chapter. The Treasurer serves as Chair of the Budget/Finance Committee, and in conjunction with that committee and the Executive Director, ensures that the Association maintains accurate financial records and reports on the finances of the Chapter at each Board meeting. The Treasurer shall perform all other duties incident to the office of Treasurer.

Section 9. Secretary

The Secretary shall be responsible for the keeping of complete and accurate minutes of all meetings of the members the Board of Directors and the Executive Committee. The Secretary shall bear primary responsibility for monitoring, reviewing and analyzing the Chapter's Bylaws and Policies to ensure that they are consistent and accurately reflect the policies and practices of the Chapter. The Secretary shall receive nominating petitions for service on the Board of Directors and deliver same to the Executive Director for processing. The Secretary shall receive such surety bonds as may be required by these Bylaws. The Secretary shall serve as liaison between the Nominating Committee and the Board of Directors. The Secretary and Executive Director shall work with the Nominating Committee to formulate the ballot for service on the Board of Directors. The Secretary shall perform all other duties incident to the office of Secretary.

Section 10. Chapter Staff

The Executive Committee shall appoint and have the authority to terminate the employment of an Executive Director as more fully set forth in Section 1(c) of Committees and Councils herein. The Executive Committee shall establish compensation guidelines for the Executive Director. The Executive

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Director shall be the chief executive officer of the Chapter and shall manage, supervise and direct the operations of the Chapter within the authority delegated to him or her by the Board of Directors, the Executive Committee and the President. The Executive Director shall have the authority to hire, fire and, subject to budgetary guidelines established by the Board of Directors, establish the compensation for the employees of CAI. The Executive Director shall be an *ex officio* member, without voting rights, of the Board of Directors, the Executive Committee and any other committee created pursuant to these Bylaws.

Section 11. Salaries; Reimbursement of Expenses

No Elected Officer of the Chapter other than the Executive Director shall be compensated for serving as an officer.

ARTICLE VIII

COMMITTEES AND COUNCILS

Section 1. Executive Committee

a. Unless otherwise directed by the Board of Directors, the Executive Committee of the Board of Directors shall be comprised of the President, the President-elect, the Vice President, the Treasurer, the Secretary, the Executive Director and *ex officio* member, Immediate Past President. The Executive Committee shall have and exercise all of the authority of the Board of Directors including all actions specified in these Bylaws as actions to be taken by the Board of Directors between meetings of the Board of Directors except that the Executive Committee shall not have the authority to: (1) amend, alter or repeal these Bylaws, (2) elect, appoint or remove any Director or officer of the Chapter, (3) adopt a resolution proposing an amendment to the Articles of Incorporation, (4) adopt a plan of merger or consolidation with another corporation, (5) acquire or authorize the sale, lease, exchange or mortgage of any real property of the Chapter, (6) authorize the sale, lease, exchange or mortgage of all or substantially all of the personal property and assets of the Chapter, (7) authorize or institute proceedings for the voluntary dissolution of the Chapter, (8) adopt a plan for the distribution of the assets of the Chapter or (9) amend, alter or repeal any resolution of the Board of Directors.

b. The Executive Committee shall act by vote of a simple majority of the Executive Committee on any matter. *Ex officio* members, Immediate Past President and Executive Director, shall have no voting rights. The Executive Committee shall make due report of its actions to the Board of Directors whenever so required. The President shall serve as chair of the Executive Committee.

c. The Executive Committee by a majority vote of a quorum present shall appoint or terminate the Executive Director with the approval of the Board of Directors. The Executive Committee shall conduct an annual review of the Executive Director.

d. The Executive Committee shall hold not less than one meeting annually, and may hold additional meetings, on reasonable notice, upon the call of the President or upon written notice of any three members of the Executive Committee. At any meeting of the Executive Committee, a simple majority of the Executive Committee members entitled to vote shall constitute a quorum for the transaction of business, and a majority vote shall govern, except that the Executive Committee shall take no action with respect to the public policy without the unanimous vote of all voting members of the Executive Committee.

BYLAWS

Section 1. Council

- a. Chapter committees are organized under the Council. The Council structure shall be established and may be modified from time to time by the Board of Directors. The primary purpose of the Councils is to encourage communication and to coordinate the activities of committees.
- b. The President-elect, in consultation with the Executive Committee and the Executive Director shall appoint the Chair of each Council to serve for a term of one year.
- c. The Vice President shall chair the Council. The Vice President will convene and preside over meetings of the Council and shall be responsible, in coordination with the Council Chairs, for presenting a monthly report to the Board of Directors on the activities within each Council.
- d. The Council Chairs shall convene a meeting of the committee chairs within that Chair's Council at least once each quarter.
- e. Council Chairs are strongly encouraged to attend the monthly Board of Directors meeting.

Section 2. Nominating Committee

Each year the Executive Committee shall designate a Nominating Committee that shall consist of the Immediate Past President of the Chapter, the President-elect and at least three other members of the Chapter who are not elected officers of the Chapter and who are not running for election. At least one (1) member of the Nominating Committee shall be a Community Association Volunteer, and no more than two (2) members of the Nominating Committee may be from the same Membership Representation Group unless otherwise directed by the Executive Committee, the Immediate Past President of the Chapter shall serve as chair of the Nominating Committee.

Section 3. Other Committees

- a. Unless otherwise provided in these Bylaws or directed by the Board of Directors, the President shall appoint such other standing or special committees, subcommittees, task forces or boards as may be required by these Bylaws or as may be deemed necessary or appropriate by the President. A "committee" is a standing body assigned tasks and responsibilities, which may extend for more than one (1) year. A "task force" is created to address a specific issue or concern for a defined period of duration. Task forces shall report directly to the Board.
- b. Upon appointment of a committee or task force, the President shall present to the Board for consideration and approval the terms of reference for that committee or task force. The terms of reference shall include a description of the scope of work of the committee or task force, the constituency of the committee or task force and the term or period during which the committee or task force will be appointed (convened). Once adopted, the Executive Committee will review the terms of reference for all committees and task forces annually.

ARTICLE IX

BYLAWS

INDEMNIFICATION

Section 1. The Corporation

The Corporation shall indemnify every Officer and Director of the Corporation against any and all expenses, including counsel fees reasonably incurred by or imposed upon any Officer or Director in connection with any action, suit or other proceeding (including settlement of any such suit or proceeding if approved by the then Board of Directors of the Corporation) to which he may be made a party by reason of being or having been an Officer or Director of the Corporation, whether or not such person is an Officer or Director at the time such expenses are incurred. The Officers and Directors of the Corporation shall not be liable to the members of the Corporation for any mistake of judgment, negligence, or otherwise, except for their own individual willful misconduct or bad faith.

Section 2. Officers and Directors

The Officers and Directors of the Corporation shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Corporation and the Corporation shall indemnify and forever hold each such Officer and Director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any Officer or Director of the Corporation, or former Officer or Director of the Corporation may be entitled.

ARTICLE X

MISCELLANEOUS

Section 1. Fiscal Year

The Board of Directors shall determine the fiscal year of the Chapter.

Section 2. Contracts, Checks, Drafts, etc.

Except as otherwise provided in these Bylaws, all contracts and all checks, drafts, notes, acceptances, endorsements and other evidences of indebtedness may be signed on behalf of the Chapter only by the President, the Executive Director or such other officers and agents of the Chapter as the Board of Directors or the Executive Committee may authorize.

Section 3. Loans

No loans shall be made or obtained on behalf of the Chapter, and no negotiable instruments other than checks shall be issued in its name, unless and except as authorized by the Board of Directors.

Section 4. Deposits

Unless otherwise directed by the Board of Directors, all funds of the Chapter shall be deposited in such depositories as the Executive Committee or the President may select, or as may be selected by another officer or agent authorized by the Executive Committee.

Section 5. Surety Bond

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The President, the Treasurer, the Executive Director and such other officers and agents of the Chapter as may be determined from time to time by the Executive Committee, shall give and file with the Secretary surety bonds for the faithful performance of their duties in such sums as may be fixed from time to time by the executive committee. The Chapter shall pay the cost of such bonds.

Section 6. Procedures

All meetings of the Members and the Board of Directors shall be governed by the rules set forth in the latest edition of Robert's Rules of Order, Newly Revised, as long as such rules are not in conflict with these Bylaws or with rules and procedures established by the Board of Directors. By majority vote, the Board of Directors may vote to suspend Robert's Rules of Order.

Section 7. Use of Funds and Dissolution

The Chapter shall use its funds only to accomplish its stated purpose and objectives. Upon dissolution of the Chapter, all of its assets shall be distributed to CAI, or its successor.

Section 8. Loss of Charter

This chapter may be decertified by a vote of the Board of Trustees, as provided in the policies and procedures of CAI. In such event, the Chapter agrees to be bound by the CAI policies.

Section 9. Waiver of Notice

Whenever any notice is required to be given under applicable law, the Articles of Incorporation or these Bylaws, a waiver of such notice in writing signed by the person entitled to such notice, whether such waiver is signed before or after the time for notice has expired, shall be deemed the equivalent of the giving of such notice.

Section 10. Transitional Procedures

Any and all actions taken pursuant to the Bylaws of the Chapter in effect prior to the date of adoption hereof shall remain in full force and effect unless and until expressly changed or revoked pursuant hereto.

Section 11. Notices

Unless otherwise prohibited by these Bylaw or state law, all notices and other communications required by these Bylaws or state law shall be in writing and shall be given by:

- (i) Personal delivery;
- (ii) United States mail, first class, postage prepaid;
- (iii) Statutory overnight delivery;
- (iv) Electronic mail;
- (v) Facsimile; or

BYLAWS

(vi) A secure web site, provided that notice shall be deemed given via web site only upon proof that the addressee has retrieved the message.

ARTICLE XI

AMENDMENTS

These Bylaws may be amended, repealed or altered except those provisions determined to be mandatory by CAI, in whole or in part, by the affirmative vote of two-thirds (2/3) of the members of the entire Board of Directors at a duly called meeting of the Board at which a quorum is present; provided, however, that the notice of such meeting must be in writing thirty (30) days prior to the meeting at which the vote is to take place, must describe, generally, the scope and nature of the amendment, revision or alteration to the Bylaws, and must state that a purpose of the meeting is to vote on such proposed amendment, revision or alteration to the Bylaws.