

BYLAWS OF FRANKLIN MANOR CITIZENS ASSOCIATION, INC.

Revised and adopted March, 2003

ARTICLE I: Membership

Section 1: Membership Definition

Members of Franklin Manor Citizens' Association, hereinafter also referred to as FMCA, shall be all property owners and co-owners recorded on tax accounts or property titles within the subdivision of Franklin Manor Beach, Anne Arundel County, Maryland, and their immediate adult (18 years of age or older) family members also residing at the property. These members of FMCA are not subject to membership dues.

Other adult residents of Franklin Manor Beach who are not property owners shall become members upon payment of annual membership dues. The cost of these dues shall be determined annually by a majority vote of the FMCA Board of Directors.

Section 2: Term of Membership

Membership by property owners and co-owners and their immediate adult family members shall be effective or cease when tax accounts or property titles are recorded.

Membership by adult residents who are not property owners but who have paid FMCA dues shall be maintained from the day of payment of dues until these residents cease to reside in Franklin Manor Beach or the last day of the calendar year in which dues were paid, whichever occurs first.

ARTICLE II: Board of Directors

Section 1: Board of Directors Composition

A Board of Directors, hereinafter also referred to as the Board, shall conduct the business of FMCA. The Board shall consist of fifteen regular voting members, thirteen of whom must be property owners in the subdivision of Franklin Manor Beach as recorded on tax accounts or property titles, and no more than five alternate members with right to vote in the absence of a regular member. The precedence of an alternate member's right to vote shall be determined by seniority as defined by the number of votes received by the alternate member at the annual election of the Board.

A quorum of the Board shall be eight members.

Eligibility for Board membership shall be limited to FMCA members as defined by Article I of these Bylaws.

Section 2: Board Officers

The Board shall elect from its members by majority vote a President, Vice President, Secretary and Treasurer. These shall be the FMCA Officers. The Officers shall be members of the Board ex-officio, with right to vote. The President shall cast a vote only to break a tie.

Section 3: Board Selection and Term of Office

The President of FMCA shall annually appoint a Nominating Committee which will nominate a slate of candidates willing to serve on the Board. The Nominating Committee shall publish a solicitation to the FMCA membership for candidates for the Board and all eligible nominees shall be included on the slate of candidates. FMCA members shall elect the Board at an annual Election Meeting convened for that purpose, the time and place to be published in advance to all FMCA members. Prior to the Election Meeting, FMCA members shall be provided with a ballot displaying the names of all Board nominees. FMCA members desiring to vote but

unable to attend the annual Election Meeting may submit their ballots by mail. Such ballots, if received by the Nominating Committee on or before the date of the annual Election Meeting, shall be counted. The fifteen nominees for regular voting membership on the Board, and no more than five nominees for alternate membership on the Board, receiving the highest number of votes from the meeting shall be the elected Board, but thirteen of the elected regular voting members of the Board must be property owners as specified in Article II of these Bylaws. Members of the Board shall serve for one year, all terms expiring concurrently.

For the purpose of electing the Board, each FMCA member shall possess a single vote.

In the event of a vacancy occurring among the regular voting members during the term of Board, Board members shall elect by majority vote a replacement from the FMCA membership, but such an election shall not alter the composition of the Board specified by these Bylaws.

Section 4: General Responsibilities of Board Members

Board members shall agree to attend scheduled Board meetings to discuss and vote on matters of FMCA business. Board members shall serve on at least one Board committee, but Officers may be excused from this requirement if they so request.

Any Board member who substantially fails to meet these responsibilities, or, if an Officer, fails to perform the duties of his or her office detailed by these Bylaws, may be dismissed from the Board by a two-thirds majority vote of the Board.

ARTICLE III: Duties of Officers

Section 1: President

The President shall be the principal Officer of FMCA and shall represent FMCA in the conduct of its business, subject to the direction of the Board of Directors. The President shall chair meetings of the Board and shall decide questions of order, subject to appeal to the body of the meeting.

Section 2: Vice-President

The Vice-President shall assist the President in the conduct of FMCA business and chair Board meetings in the President's absence. In the absence of both the President and Vice-President, members of the Board shall select, by vote of a majority of those present, a temporary Chairperson from their number.

Section 3: Secretary

The Secretary shall record the minutes of all Board meetings and other meetings called by the Board and shall provide Board members a written copy of such minutes within thirty days of the meeting recorded or earlier at the direction of the Board. The Secretary shall arrange for an orderly turnover of FMCA records for which he/she is responsible to a successor in office.

Section 4: Treasurer

The Treasurer shall receive all funds paid to FMCA and deposit such funds in accounts approved by the Board. The Treasurer shall maintain records of deposits and expenditures of FMCA funds as directed by County, State and Federal regulations. The Treasurer shall make payments and reimbursements for expenses incurred in the conduct of FMCA business. The Treasurer shall provide at each Board meeting a written report of funds received and disbursed and the status of FMCA accounts. The Treasurer shall participate in audits of FMCA accounts as required by law and the direction of the Board and shall comply with all Anne Arundel County requirements for financial reports, audits and budget submissions related to FMCA activities and business. The Treasurer shall be bonded with a faithful performance bond in an amount determined by the Board. The Treasurer shall arrange for an orderly turnover of FMCA records and accounts for which he/she is responsible to a successor in office.

ARTICLE IV: Committees

Section 1: Standing Committees

There shall be a Standing Committee named Archives Committee. The responsibilities of this committee shall include maintaining files of documents relating to FMCA business and real property. Among these documents shall be included Treasurer's reports, FMCA and FMCA Board meeting minutes, FMCA property deeds and maps and other documents the Board may specify. Board Officers and others generating documents and records for which the Archives Committee will have file custody shall provide copies of such documents to the Archives Committee as directed by the Board.

There shall be a Standing Committee named Insurance Committee. The responsibilities of this committee shall include supervision of the various insurance policies protecting the Board, its individual Officers and FMCA. This committee shall also provide advice to the Board concerning policy renewals and policy features and maintain current contacts with policy agents and insurers.

There shall be a Standing Committee named Membership Committee. The responsibilities of this committee shall include maintaining a current register of all FMCA members.

Standing Committee chairpersons shall be selected from the membership of the Board by majority vote of the Board. It shall be the responsibility of each Standing Committee chairperson to arrange for an orderly turnover of committee records to a successor chairperson.

Section 2: Special Committees

The Board may designate and establish, or re-designate, Special Committees deemed necessary to conduct FMCA business and projects at its first meeting after election and at subsequent meetings. Special Committee chairpersons shall be selected from the FMCA membership by majority vote of the Board. Each committee shall include at least one Board member in its membership. The responsibilities of each Special Committee shall be defined and recorded in the minutes of the Board meeting at which the committee is established.

ARTICLE V: Conduct of Meetings

Section 1: General

The Board shall conduct business at regularly scheduled meetings as specified in the FMCA Bylaws Calendar. The President, or an Officer acting in his/her place, may cancel, postpone, reschedule or change the location of a meeting due to lack of a quorum, inclement weather or for other good cause shown.

In order for the Board to be committed to any policy or action, or for a vote to be taken on any matter before the Board, a quorum must be present.

Section 2: Motions and Resolutions

Motions and resolutions shall be presented and voted on by Board members at regularly scheduled Board meetings except in circumstances requiring immediate consideration of a motion or resolution. The Board may vote upon such motions and resolutions in an unscheduled meeting provided that a reasonable effort is made to notify each Board member, including alternate members, of the proposed unscheduled meeting and a quorum is obtained. Minutes of an unscheduled Board meeting shall be taken and published as an addendum to the previous scheduled meeting's minutes.

Section 3: Rules of Procedure

The Board may adopt by majority vote of the members present rules of procedure deemed necessary for the orderly conduct of its meetings. It may likewise revoke such rules. Such rules shall not have the effect of altering, deleting or amending the whole or any portion of these Bylaws. The force of adopted rules of procedure shall expire with the term of the Board. "Robert's Rules of Order,

Revised”, shall be the authority otherwise.

ARTICLE VI: FINANCES

Section 1: Funding Sources

Funds required to conduct FMCA business shall be provided by the Revision of the Franklin Manor Special Community Benefit District approved by the Anne Arundel County Council, 1 April 1991; the Anne Arundel County Shore Erosion Control District; annual dues collected from adult residents of Franklin Manor Beach who are not property owners in the subdivision (see Bylaws, Article I, Section 1) and other sources the Board may approve which are congruent with Anne Arundel County regulations and these Bylaws.

Section 2: Budget

The Board shall prepare an Annual Budget for the Franklin Manor Special Community Benefit District and the Anne Arundel County Shore Erosion Control District. The Board shall notify, in writing, all property owners encompassed by the Special Community Benefit District of the specific provisions of the Annual Budget and the tax rates proposed to support it. The Board shall solicit comment from property owners in a manner published to all FMCA members and after due consideration of all responses adopt a budget and tax rates for submission to the appropriate Anne Arundel County agency. Adoption of the Annual Budget shall require a majority vote of the Board.

Section 3: Tax Rate Limit

The tax rate for the Franklin Manor Special Community Benefit District shall not exceed 4 cents per 100 dollars of assessed value without written consent of 51% of the property owners encompassed by the district.

Section 4: Expenditures

Expenditures of funds from FMCA funding sources, excluding the Anne Arundel County Shore Erosion Control District, shall support the conduct of FMCA business, maintenance and improvement of FMCA assets, advancement of the interests and welfare of the residents of Franklin Manor Beach and shall comply with all regulations governing the funding sources. Expenditures of funds from the Anne Arundel County Shore Erosion Control District shall comply with all pertinent regulations.

Section 5: Accounting

Expenditures of funds from FMCA funding sources shall be made only by members of the Board for business or projects approved by the Board and shall be preceded by issuance of written purchase orders signed by the Treasurer and the President. An exception to this requirement shall be that expenditures up to a total of one hundred dollars for any single project approved by the Board may be made without purchase orders by Board members appointed by the President at a regularly scheduled meeting of the Board. The Treasurer shall ensure that receipts or invoices sufficient to document all expenditures of funds from FMCA funding sources are received and filed.

Expenditures of funds from FMCA funding sources totaling more than one hundred dollars but no more than five hundred dollars for any single project shall be preceded by issuance of written purchase orders signed by the Treasurer and the President and shall require prior approval by a majority of the Board members present.

Expenditures of funds from FMCA funding sources totaling more than five hundred dollars for any single project shall be preceded by issuance of written purchase orders signed by the Treasurer and the President and shall require prior approval by a majority of the Board.

The Board may require, by vote of a majority of the members present, that quotes or bids be obtained and presented to the Board prior to approval of an expenditure of funds. The Board shall specify details governing such quotes or bids.

Board members who expend their personal funds in compliance with the requirements of Article VI, Sections 4 and 5, of these Bylaws shall be entitled to reimbursement from FMCA accounts.

Section 6: Contracts

Proposed contract commitments between FMCA and providers of goods and/or services shall be presented in writing to the Board for review and approval. The dollar value of the goods and/or services to be contracted for shall determine the approval criteria, which shall be the same as that established for purchases in Article VI, Sections 4 and 5, of these Bylaws. An approved contract shall be signed by the President of FMCA and the contract document shall stand in place of a purchase order. The Treasurer shall receive documentation from the person or persons supervising a contract that all contract performance terms have been met and shall ensure that payment terms are properly executed and documented.

ARTICLE VII: CALENDAR

Section 1: Purpose

The Bylaws Calendar shall identify and contain the dates of or intervals of occurrence of all events and actions with which the Board and FMCA may be required to comply by County, State, or Federal agencies or by the terms and provisions of these Bylaws.

Section 2: Events and Actions with Corresponding Dates or Intervals of Occurrence

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| Board of Directors publishes proposed FMCA Annual Budget to FMCA membership | NLT December Board meeting |
| Board of Directors approves FMCA Annual Budget | NLT January Board meeting |
| Treasurer submits FMCA Annual Budget to Anne Arundel County | NLT 31 January |
| Treasurer submits FMCA Officer Liability Bond Certification to Anne Arundel County | NLT 31 March |
| Treasurer submits FMCA Audit of Account Procedures to Anne Arundel County | NLT 30 September |
| Treasurer submits FMCA Annual Financial Report to Anne Arundel County | NLT 30 September |
| Treasurer files FMCA Corporate Personal Property Tax forms | NLT 15 March |
| FMCA Fiscal Year begins | 01 July |
| FMCA Fiscal Year ends | 30 June |
| President appoints Nominating Committee | NLT November Board meeting |
| Nominating Committee publishes solicitation for Board of Directors nominations to FMCA membership | NLT December Board meeting |
| Nominating Committee mails Election Ballots and notification of Election Meeting to FMCA membership | NLT February Board meeting |
| President convenes Board of Directors Election Meeting | March Board meeting |
| Last business meeting of outgoing FMCA Board of Directors | March Board meeting |
| First business meeting of incoming FMCA Board of Directors | April Board meeting |
| Treasurer publishes Annual Dues notice to adult Franklin Manor Beach residents who are not property owners | Annually |
| FMCA Board of Directors' business meeting intervals | Monthly |
| Board of Directors action required on proposed amendment submissions | NLT 60 days from date of submission |

ARTICLE VIII: AMENDMENTS

Section 1: Proposal of Amendments

Any FMCA member in good standing may propose amendments to these Bylaws. A proposed amendment shall be brought before the Board, in writing, at a regularly scheduled meeting. A two-thirds majority of the Board must vote to put a proposed amendment before the FMCA membership and this vote shall be taken within the period specified in the Bylaws Calendar.

Section 2: Adoption of Amendments

If approved for consideration by the FMCA membership, the full text of the proposed amendment and the full text of the Bylaws Article and Section proposed for amendment shall be published to the FMCA membership along with voting instructions. Voting by

ballot shall be permitted and the method of submitting ballots shall follow that specified for the election of the Board in Article II, Section 3, of these Bylaws. A proposed amendment put before the FMCA membership shall be adopted if approved by two-thirds of the FMCA members voting. For the purpose of voting to amend these Bylaws, each FMCA member shall possess a single vote.

Section 3: Exceptions

Provisions for amending these Bylaws notwithstanding, raising the Franklin Manor Special Community Benefit District tax rate cap of 4 cents per 100 dollars of assessed value or changing the terms of the Franklin Manor Special Community Benefit District shall require the written approval of 51% of the property owners encompassed by the special tax district.

Provisions for amending these Bylaws notwithstanding, revisions of the Bylaws Calendar shall require only a majority vote of the Board. Approved revisions of the Bylaws Calendar shall be published to the FMCA membership within 60 days of their approval.