

ST. MARY'S RIVER WATERSHED ASSOCIATION, INC. BY-LAWS

ARTICLE I: NAME

The name of the organization for which these bylaws are written is the ST. MARY'S RIVER WATERSHED ASSOCIATION, INC.

ARTICLE II: PURPOSE

The charge to the ST. MARY'S RIVER WATERSHED ASSOCIATION, INC. is detailed in the ARTICLES OF INCORPORATION of March 3, 2005. The Corporation shall, within the confines of the law, act in its full non-profit capacity to receive, hold, and disburse any and all assets for the benefit of the purposes of ST. MARY'S RIVER WATERSHED ASSOCIATION, INC., St. Mary's County, Maryland.

ARTICLE III: BOARD OF DIRECTORS

Section 1. General Powers: The business and affairs of the Corporation shall be managed under the direction of its Board of Directors consisting initially of those voting members named in the ARTICLES OF INCORPORATION. In addition to the powers expressly conferred upon them by these By-laws, the Board of Directors may exercise all the powers of the Corporation. From time to time, the Board of Directors may delegate to officers of the Corporation such powers and duties as it may see fit in addition to those specifically provided in these By-laws. The Board of Directors shall have power to hold meetings at such times and places as it deems advisable, to appoint committees, to employ necessary employees, to authorize proper expenditure, loans and grants, keep minutes and a full account of its transactions, and to take such other actions as may be necessary or proper to carry out the purpose of the Corporation.

Section 2. Membership of Board: The Board of Directors shall not have less than four (4) nor more than fifteen (15) voting members, as may be determined from time to time in accordance with other sections of these By-laws or the ARTICLES OF INCORPORATION.

Section 3. Tenure: The members of the Corporation, in good standing for ten days prior to the election, shall elect The Board of Directors from time to time. Each member of the Board of Directors shall hold office for a term of three (3) years and/or until his/her successor shall have been elected and qualified. Board of Directors' terms of office shall be established in such a manner that approximately one-third (1/3) of such Board's terms expire each year. In the event of a change in the number of Board Members, the staggering of terms shall be preserved.

Section 4. Non –Voting Membership of the Board: The Board of Directors shall elect, from time to time, ex-officio members as deemed appropriate and worthwhile for the good of the Association. Ex-officio members will have all the rights and privileges of voting members, except that they shall not have the power of a vote. Ex-officio members will serve three-year terms in the same manner as voting members. While The Board of Directors may grant an ex-officio position to an outside organization or entity, that position shall be governed by The Board of Directors and any person holding such position shall serve at the will of the Board of Directors. Removal, interim appointments, and term limits shall be the same as for voting members of the Board of Directors.

Section 5. Emeritus Membership of the Board: The Board of Directors shall elect, from time to time, former Board members to the position of Emeritus Director for those persons who have been honorably discharged from active professional duty on the Board of Directors and still hold a considerable honor or esteemed relationship with the Association. Emeritus Directors shall be elected for life, or until the Association is dissolved. The Board of Directors shall have the power to remove Emeritus Directors should they request such action or should they act in ways inappropriate to the good of the Association, such as incivility, contempt, or animus.

Section 6. Removal: With proper notice, any Board member may be removed by a 2/3 vote of the attending Board members at any meeting. Reasons for removal can include, but are not limited to, dereliction of duty, chronic absenteeism, or malfeasance. Proper notice shall consist of an action item on the agenda specifically naming the Board member being considered for removal with copies of that agenda distributed to all Board members under the guidelines in *Article V: Section 3. Notice, of Board Meeting* of these By-laws.

Section 7. Interim appointment of Board members: The Board may, at any meeting, appoint Board members to fill out the term of any vacancies on the Board which exist or may arise because of death, resignation, removal, disqualification, or need as long as the number of members does not exceed the guidelines as set out in *Article III: Section 3. Number and Tenure* of these By-laws. Appointment shall be made by 2/3 vote of the attending Board members.

Section 8. Term Limits: There are no limits on the number of terms that a member of the Board of Directors may serve.

ARTICLE IV: OFFICERS

Section 1. In General: The officers of the Corporation shall consist of President, Vice-president, Secretary, and Treasurer. All officers shall be chosen from among the Board of Directors by the Board of Directors. Any two offices, except those of president and vice-president, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one (1) capacity, when such instrument is required to be executed, acknowledged or verified by any two (2) or more officers. The Board of Directors may from time to time appoint such other agents and employees, with such powers and duties as the Board may deem proper.

Section 2. Election and Term of Office: The officers of the Corporation shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following the election. If the election is not held at such meeting, such election shall be held as soon thereafter as convenient. Each officer shall hold office until a qualified successor shall have been duly elected.

Section 3. Vacancies: A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by the Board of Directors for the unexpired term.

Section 4. President: The Board of Directors shall elect one of its members as President of the Corporation. The President shall be the principal executive officer of the Corporation and in general supervise and control all of the business affairs of the Corporation; shall preside at all meetings of the members of the Board of Directors; may sign, with the secretary or any other officer of the Corporation authorized by the Board of Directors, any deed, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws or by statute to some other officer or agent of the Corporation. In general he/she shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time. At each annual meeting, the President shall give the annual report and such additional information as is necessary to constitute a brief resume of the Corporation's activities during the previous year.

Section 5. Vice-President: The Board of Directors shall elect one of its members as Vice-President of the Corporation. In the absence of the President or in the event of an inability or refusal to act on the part of the President, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to him or her by the President of the Board of Directors.

Section 6. Secretary: The Board of Directors shall elect one of its members as Secretary of the Corporation. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with these By-laws, or as required by law; be custodian of

the Corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-laws; and keep a register of the address of each member which shall be furnished to the Secretary by such members.

Section 7. Treasurer: The Board of Directors shall elect one of its members as Treasurer of the Corporation. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation in such banks, trust companies or other depositories as shall be selected by the Board of Directors; prepare an annual report to be presented to the members of the Corporation at the annual meeting and in general perform all the duties incident to the office of Treasurer and such duties as from time to time may be assigned by the President or by the Board of Directors. Expenditures shall only be made by a check signed by the Treasurer or other persons designated by the Board of Directors.

Section 8. Compensation: Officers shall not receive compensation for their services as such but may, by resolution of the Board of Directors, be allowed reimbursement for expenses actually and reasonably incurred on behalf of the Corporation.

ARTICLE V: CONDUCT OF BUSINESS

As a corporate entity serving as trustee of resources made available to the Corporation in the spirit of altruism and good will, the Board of Directors shall act within the principle that as many decisions as possible should be made by the Board of Directors. Except for those provisions specified elsewhere in the By-laws, all Corporation activities shall be acted on at the Board of Director's meetings. Parliamentary procedure for all meetings of the Corporation shall be Robert's Rules of Order.

Section 1. Meetings: There shall be two general kinds of meetings: regular and annual. The regular meetings of the Corporation shall be held on or about the first Saturday of each month or other such times as set by the Board of Directors. The meeting held on or about the first Saturday of March, or held at some other such time as set by the Board of Directors, shall be designated the annual meeting for the election of directors, for receiving the annual report of officers, and committees if required the By-laws or action by the Board of Directors, the audit of the previous year which shall be from January 1 through December 31, and for transactions of other business as may come before the Board of Directors. All meetings shall be held in St. Mary's County unless otherwise agreed to by all members. All meetings shall be open to members. The public and press shall request, from the President, permission to attend.

Section 2. Special Meetings: Special meetings of the voting members of the Corporation may be called by the President at any time, and shall be called by the President upon the written request, to the President, of any three Board members.

Section 3. Notice of Board Meetings: Notice of the place, day and hour of every regular meeting shall be given to each member of the Board of Directors:

1. By notice in writing mailed postage prepaid not later than the third day before the day set for the meeting and addressed to the Board of Director's last known post office address according to the records of the Corporation.
2. By telegraphic or telephonic or e-mail communication or by notice in writing delivered personally or left at the Board of Director's residence or usual place of business not later than the second day before the day set for the meeting.

No notice of time, place or purpose of any meeting needs be given to any member of the Board of Directors, who, in writing executed and filed with the records of the meeting either before or after the holding thereof, waives such notice or who attends the meeting.

Section 4. Notice of Annual or Special Meetings: Notice of the place, day and hour of every Annual or Special meeting shall be given to each voting member by notice in writing mailed postage prepaid not later than twenty-one (21) days before the day set for the meeting and addressed to the voting member's last known post office address according to the records of the Corporation.

Section 5. Waiver: Notwithstanding the provisions of any of the foregoing sections, a meeting of the Corporation may be held at any time and at any place, and any action may be taken there at, if notice thereof be waived by all of the members of the Corporation entitled to vote, either in writing or by their presence at such meeting, except as may be otherwise provided.

The attendance of a voting member at any meeting shall constitute a waiver of notice of such meeting, except where a voting member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. Quorum: The presence of one officer and three members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting. If a quorum be not present, the presiding officer may adjourn the meeting.

Section 6. Voting: Each voting member shall vote in person and is entitled to one (1) vote on each matter submitted to a vote. Voting by proxy shall be permitted only if that proxy is received by the President prior to the start of the meeting, is in writing and reflects the exact action being voted upon, and is signed by a member in good standing ten days prior to such voting.

ARTICLE VI: COMMITTEES

Section 1. General: The President is empowered to designate Regular, Special, and Ad Hoc Committees and to appoint members of the Corporation to said committees in furtherance of the purposes and objectives of the Corporation. The President of the Corporation shall be a member ex-officio of all committees but shall not vote unless so designated by resolution of the voting members.

Section 2. Nominating Committee: The Board of Directors, by resolution adopted by a majority of the voting members, may designate from among its members a nominating committee, to be appointed at the monthly meeting prior to the annual meeting for the purpose of preparing a slate for the election of board members. At the annual meeting, nominations may also be taken from the floor from any member in good standing ten days prior to the election.

ARTICLE VII: ASSETS AND FUNDS

Section 1. Ownership: All assets and funds of the Corporation shall be owned exclusively by the Corporation.

Section 2. Disposition: All funds of the Corporation shall be deposited in an account or accounts in the name of the Corporation in a bank or banks designated by the Board of Directors or shall be invested or reinvested, as the Board shall direct. Funds shall be expended only to advance the purposes and to pay the proper expenses of the Corporation. Funds shall be withdrawn from such bank account or accounts for the purpose of investing or reinvesting only upon written authorization and signature of the Treasurer of the Corporation, or any such authorized person as from time to time may be assigned by the President or the Board of Directors.

Section 3. Investment: Subject to the limitations and conditions contained in any gift, devise, or bequest, the Board of Directors may invest its funds in such mortgages, bonds, debentures, shares of preferred and common stock, and other securities, property, and any other legal investments as the Board of Directors shall deem advisable.

Section 4. Financial Agent: The Board of Directors may appoint a financial agent or agents to represent and advise the Corporation in the investment of its funds.

Section 5. Audit: The fiscal transactions of the Corporation shall be audited at least annually by an independent party selected by the Board of Directors with the results reported to the voting members at the annual meeting. The Board of Directors shall require a full audit when a \$200,000 annual income goal has been reached.

Section 6. Petty Cash: The Board of Directors may, by resolution, set a limit on petty cash funding that would be dispensed without action by the Board and at the discretion of the President (or First Vice-President in the President's absence).

ARTICLE VIII: Non-Voting Members and Volunteers

Section 1. Voting Members: By resolution, the Board of Directors may establish specific membership dues for the purpose of providing contributions to the Corporation's general operating funds. Memberships shall have a one-year term and be renewable and/or may be paid in advance for multiple years of membership.

Section 2. Volunteers: The Board of Directors may establish that volunteer workers will be utilized for certain aspects of the operation of the Corporation. Volunteers will be allowed to participate in projects, but will not be compensated for their time. Members may also work as volunteers. Volunteers will not be considered in any way to be employees of the Corporation. Volunteers can only gain the right to vote by paying the appropriate membership dues.

ARTICLE IX: LIABILITY

In the absence of fraud or bad faith, no member shall be personally liable for the debts, obligations, or liabilities of the Corporation.

ARTICLE X: ANNUAL REPORT

The Board of Directors shall present, at the annual meeting of the Corporation, a report verified by the President and Treasurer or by a majority of the voting members, which shall include the annual audit or Treasurer's report, showing the entire amount of real and personal property owned by the Corporation, where located and where and how invested, the amount and nature of the property acquired during the year immediately preceding the date of the report and the manner of acquisition; the amount applied, appropriated, or expended during the year immediately preceding such date, and the purposes, objects or persons to or for which such application, appropriations or expenditures were made. Such report shall be filed with the records of the Corporation.

ARTICLE XI: AMENDMENTS

These Bylaws may be amended by a two-thirds vote of Directors present at a regular or special meeting provided that notice of the purpose and the text of the amendment has been stated in the notice of the meeting.