

POTOMAC WOODS CITIZENS ASSOCIATION, INC.

BY-LAWS

ARTICLE I NAME AND PURPOSE

Section 1: The name of this organization shall be the Potomac Woods Citizens Association, Inc., hereinafter referred to as Association.

Section 2: The purpose of this organization is to promote good will among the neighbors of Potomac Woods, Normandy Mill and Falls Orchard subdivision, to advocate on behalf of the citizens of said communities, and to perform all lawful activities necessary and incidental to said purpose.

ARTICLE II QUALIFICATIONS FOR MEMBERSHIP

Section 1: Any person who resides in these communities and is at least eighteen (18) years old is a member of the Association.

Section 2: Active households are households of members of the Association whose owners have paid dues for the current dues year.

ARTICLE III GENERAL MEETINGS OF MEMBERS

Section 1: All general meetings of the members of the Association (General Meetings) shall be held in Montgomery County, Maryland. At least five (5) days notice shall be given to the members of the time and place fixed by the Board of Directors.

Section 2: Each active household shall be entitled to one vote at General Meetings, which must be cast by a member of the association residing in said active household.

Section 3: General Meetings shall be called whenever necessary by the Board of Directors, or upon petition of thirty (30) Members of Active Households. A quorum at any General Meeting shall consist of twenty (20) Active Households.

Section 4: If there are less than twenty (20) Active Households represented at a General Meeting, then the Active Households present, including a majority of the Board of Directors, shall constitute a quorum for the transaction of business.

Section 5: When a quorum is present at any General Meeting, the vote of the majority of Active Households represented shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the certificate of incorporation or by these By-Laws, a different vote is required, in which case such express provision shall govern and control the decision of such question.

Section 6: An Annual General Meeting of the Association shall be held in or about April of each year.

ARTICLE IV DUES AND ASSESSMENTS

Section 1: The amount of the annual dues is set each year by the Board of Directors on a per household basis.

Section 2: All dues shall be payable on or before the first day of February each year.

Section 3: The fiscal and membership year of the Association shall be from January 1 through December 31.

ARTICLE V DIRECTORS

Section 1: The Board of Directors shall consist of nine (9) Members of the Association from Active Households elected by the membership at the Annual Meeting. Each Director shall hold his/her position until the first meeting of the new Board of Directors held after the annual meeting at which said new Board member is elected.

Section 2: Any vacancy in the Board shall be filled, for the remainder of the unexpired term, by a plurality vote of the remaining Directors.

Section 3: The Directors shall have the general direction and control of the affairs of the Association. In addition to the duties customarily performed by a Board of Directors, or otherwise designated in these by-laws, the Board shall:

(a) Transact all business necessary and proper for the efficient management of the Association, including the appointment and removal of such agents or employees, as it may deem necessary, including fixing of their duties and compensation.

(b) Constitute and appoint all committees necessary for the function of the Association.

(c) Designate the depository and conditions of deposit for the funds of the Association, provided that all checks, drafts and other instruments for the payment of money by the Association must bear the signature of the Treasurer. The President, Vice-president or Secretary may act as an alternate for the Treasurer in signing checks. The President and the Treasurer shall both sign the signature card at the depository where the funds of the Association are deposited.

(d) Nominate and present to the general membership at the annual meeting a slate of officers.

(e) Maintain the minutes of Association meetings. Meeting minutes shall be available at all Association meetings.

(f) Annually audit the fiscal records of the Association and an inventory of property. The audit shall be by a committee of three (3) Association members appointed for that purpose by the Board.

Section 4: The Board of Directors shall schedule at least one meeting per calendar quarter, or more often as the Board deems needed to effectively conduct the business of the Association. Said meetings are open to any Member of the Association. A majority of members of the Board of Directors shall constitute a quorum for the transaction of business.

Section 5: Special meetings of the Board of Directors may be called by the President on two (2) days notice to each Director, personally or by mail, e-mail, or telegram.

ARTICLE VI OFFICERS

Section 1: The officers of the Association shall be chosen by a vote of Active Households in attendance at the Annual Meeting of the Association. The officers chosen shall be President, Vice-president, Secretary and Treasurer. Each of these four officers shall be members of the Board of Directors. The Board of Directors may designate additional offices and make appointments to said offices. The same person may not hold two or more offices. A slate of officers shall be proposed to the general membership by the Board of Directors. At the Annual Meeting additional candidates for office may be nominated from the floor. Each Active Household present at the Annual Meeting shall then vote to elect the officers, if there is more than one candidate for any position. The new officers shall take office at the first meeting after their election.

Section 2: The President shall be the chief executive officer of the Association, shall preside at all meetings of the members and of the Board of Directors, shall be ex-officio a member of all standing committees, shall have general and active

management of the business of the Association, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

Section 3: The Vice-president shall in the absence or disability of the President, perform the duties and exercise the powers of the President. He/She shall perform such other duties and have such other powers as the President or the Board of Directors may prescribe.

Section 4: The Secretary shall attend all meetings of the Board of Directors and all General Meetings of the Association, shall record all of the proceedings of these meetings in a book to be kept for that purpose, and shall perform like duties for standing committees when required. The Secretary shall give to the Board of Directors notice of all meetings and shall give to the general membership notice of all General Meetings. The Secretary shall further provide to the editor of the Association's newsletter any and all information suitable for that publication.

Section 5: The Treasurer shall have the custody of the Association's funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all moneys and valuables in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. The Treasurer shall pay all bills and accounts presented to the Board of Directors and approved by them for payment.

ARTICLE VII GENERAL PROVISIONS

Section 1: An association newsletter shall be published periodically and shall be distributed to every household within the Association.

Section 2: A Directory of the members shall be published periodically and shall be distributed to every Active Household in the Association.

Section 3: Whenever there is a change in the person holding the office of Treasurer, there shall be an audit of the fiscal records of the Association. The audit shall be by a committee of three (3) Association members appointed for that purpose by the Board of Directors.

Section 4: Changes in the By-Laws may be proposed upon petition of twenty (20) Active Households and must be approved by 3/4 of the quorum at a General Meeting.

Section 5: These By-Laws shall take effect upon approval of the members at a General Meeting of the Association.

Section 6: The order of business and conduct of the General Meeting and meeting of the Board of Directors shall follow the latest edition of *Robert's Rules of Order*, where not specifically in conflict with the By-Laws of the Association.