

Bylaws

BY-LAWS

SOUTHAVEN COMMUNITY ASSOCIATION, INC.

As adopted July 21, 1974;

Amended July 28, 1976;

Amended September 18, 1988;

Amended September 14, 2003;

and Amended May 21, 2008

ARTICLE I MEMBERSHIP

Section 1. Membership Requirements. Membership shall be limited to persons owning property or residing within the boundaries of the subdivision identified as Section 1, Southaven on the South River, Anne Arundel County, Maryland, as shown on Plat No. 291, Book No. 5, Folio 32, Speed 22, in the Land Records of Anne Arundel County, and all subsequent re-subdivisions thereof. Persons eligible may become members by payment of Association dues for the year.

Section 2. Types of Membership. There shall be two (2) types of membership, as follows:

a. Regular Membership. The owner or owners of each property are eligible for Regular Membership. In no event, regardless of the number of properties owned, shall the same owner or owners be eligible for more than one (1) Regular Membership. Each Regular Member shall be entitled to one (1) vote on motions presented at regular or special meetings of the Southaven Community Association or on ballots mailed to the membership. (When more than one person holds an interest in any property, the vote for such property shall be exercised as such persons determine, but in no event shall more than one vote be cast with respect to any property.) Only Regular Members shall be eligible for election to the Board of Directors and/or to other offices of the Association.

b. Associate Membership. Resident tenants shall be eligible for Associate Membership. Associate Members shall enjoy all rights and privileges of Regular Members except voting and office holding.

Section 3. Admittance to Membership. Membership shall become effective upon payment of the current annual dues in full. The application of a candidate shall signify his (her) acceptance of the By-Laws of the Association.

Section 4. Dues. Dues are payable on or after January 1st of the year they are applicable. The dues will be applicable from the time they are received by the Treasurer until the end of the calendar year, December 31st. Dues for the following calendar year will be established by a recommendation by the Board of Directors and approved by two-thirds of the Regular Members present at annual meetings of members. Dues paid between September 16, 2007 and December 31, 2008, will cover membership until December 31, 2008.

Section 5. Termination of Membership. Regular Membership shall terminate with the transfer of property. (New owners must apply for regular membership, as provided earlier in this Article.) Dues paid, or any portion thereof, are not refundable. Membership shall not terminate with the leasing of property, but shall not extend to the lessee; however, such lessee, in his (her) own right, is eligible to apply for Associate Membership.

ARTICLE II MEETINGS OF MEMBERS

Section 1. Annual Meetings. The annual meeting of the members shall be held in September of each year at such time and place as shall be designated by the Board and announced in the Notice of Meeting, for the purpose of electing Officers and Directors and transacting any other business authorized to be transacted by the members.

Section 2. Special Meetings. Special meetings of the members shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from five (5) Regular Members.

Section 3. Notice of Meetings. Notice of meetings of the members, stating the time and place and the purposes for which the meeting is called, shall be given by the President or Vice President or Secretary. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed by regular mail, or e-mail, and/or hand delivered not less than ten (10) days prior to the date of the meeting.

Section 4. Order of Business. The order of business at annual meetings of the members and as far as practical at other meetings of the members, shall be provided in advance in a written agenda announced by the President and shall include:

Roll Call and certifying of proxies

Proof of due notice of the meeting

Election of Officers and Directors (Annual Meeting only)

Reports of committees

Reports of officers

Unfinished Business

New business

Adjournment.

Section 5. Quorum. A quorum at annual or special meetings of the members shall consist of one-third of the Regular Membership, either in person or by proxy. No business transacted without a quorum present shall have force or effect.

Section 6. Voting. Motions shall require a second, and approval of a majority of the Regular Members present or represented by proxy, in order to have force and effect; except that a motion to amend the Articles of Incorporation or these By-Laws, to dissolve the corporation, to recall any officer or to expel any member, shall require the approval of two-thirds of the entire Regular Membership in person or by proxy. Each Regular Member shall be entitled to cast one (1) vote on any motion presented. There shall be only one vote per household.

Section 7. Proxies. Votes may be cast in person or by proxy. A proxy may be made by Regular Members, provided the Secretary has a signed proxy from the member for that particular meeting, showing the name of the Regular Member acting as proxy and any reservation or restriction to the proxy.

Section 8. Adjourned Meetings. If any meetings of the members cannot be organized because a quorum has not attended, or if business at the meeting cannot be completed, the Regular Members who are present, either in person or by proxy, may adjourn the meeting until a future time in an effort to achieve a quorum, or to complete the business of the meeting.

ARTICLE III OFFICERS AND DIRECTORS

Section 1. Management. The affairs of the Association shall be managed by a Board of Directors and by the Executive Officers, all of whom shall be elected by the Regular Members at the Annual Meeting.

Section 2. Executive Officers. The Executive Officers of the Association shall be a President, a Vice President, a Treasurer, and a Secretary; all Executive Officers shall also be Directors.

(a). The President. The President shall be the chief executive officer of the Corporation. He (she) shall have all of the powers and duties usually vested in the office of President of a Corporation, including but not limited to the power to appoint committees from among the members from time to time, as he (she) may determine appropriate, to assist in the conduct of the affairs of the Association.

(b). Vice President. The Vice President, in the absence or disability of the President, shall exercise the powers and perform the duties of the President; shall assist the President generally; and shall also exercise such other powers and perform such other duties as shall be prescribed by the Directors.

(c). Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members; shall attend to the giving and serving of all notices to the members and Directors and other notices required by law; shall have custody of the seal of the Association and affix it to instruments requiring a seal when duly signed; shall keep the records of the Association except those of the Treasurer; and shall perform all other duties incident to the office of Secretary of an Association and as may be required by the Directors or the President.

(d). Treasurer. The Treasurer shall have custody of all property of the Association including funds, securities and evidences of indebtedness; shall keep the books of the Association, in accordance with good accounting practices; and shall perform all other duties incident to the office of Treasurer.

Section 3. Directors.

(a). Number of Directors. The Board shall consist of not less than five (5) nor more than seven (7) Directors, the exact number to be determined at the time of election.

(b). Powers and Duties of the Board of Directors. All of the powers and duties of the Association existing under the Articles of Incorporation and these By-Laws shall be exercised exclusively by the Board of Directors, subject only to approval by Regular Members of the Association when such is specifically required.

Section 4. Election of Officers and Directors. The election of Officers and Directors shall be held at the Annual Meeting of the members and shall be conducted in the following manner:

(a). A Nominating Committee of three (3) Regular members shall be appointed by the President not less than thirty (30) days prior to the annual meeting of the members. The Committee shall prepare a slate of nominees for the officers and directorships to be filled, who shall be Regular Members and shall have signified their willingness to serve if elected, to succeed the incumbent Officers and Directors. Other nominations may be made from the floor, provided in each case that the member so nominated has agreed to serve if elected.

(b). The election shall be by secret ballot (unless dispensed by unanimous consent), each Regular Member being entitled to one vote for each vacancy to be filled. The nominees receiving the largest number of votes for vacancies shall be declared elected. In the event of a tie vote for officers among two or more eligible nominees, the presiding officer shall conduct another vote. In the event of a tie vote for director among two or more eligible nominees receiving the lower number of qualifying votes, the presiding officer shall conduct another vote, in order to provide the requisite number of Directors. The voting members at the annual meeting may choose, upon motion of a member properly seconded and approved by a majority of voters present, to allow elected Directors to choose the Officers among themselves.

(c). Except as to vacancies created by removal by members, vacancies in the Board of Directors or Officers occurring between annual meetings of the members shall be filled by the remaining Directors.

(d). Any Director or Officer may be removed by concurrence of two-thirds of the votes of the entire Regular membership at a special meeting of members called for that purpose. The vacancy so created shall be filled by the Regular members of the Association at the same meeting.

Section 5. Term. The term of each Officer and Director's service shall extend until the next annual meeting of the members and subsequently until his (her) successor is duly elected and qualified or until he (she) is removed in the manner elsewhere provided.

Section 6. Organization Meeting. The organization meeting of a newly elected Board of Directors shall be held within thirty (30) days of their election, at such place and time as shall be fixed at the meeting at which they were elected, and no further notice of the organization meeting shall be necessary.

Section 7. Regular and Special Meetings. Regular and special meetings of the Board of Directors and the Officers may be held at such time and place as shall be determined from time to time by a majority of the Directors.

Section 8. Quorum. A quorum at Officers' and Directors' Meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except when approval by a greater number of Directors is required by the Articles of Incorporation or these By-Laws.

Section 9. Adjourned Meetings. If at any meeting of the Board of Directors there is less than a quorum present, the meeting shall be adjourned, and may be re-scheduled at a later time.

Section 10. Presiding Officer. The presiding officer of Directors' Meetings shall be the President. In the absence of the President, the Vice President shall preside; in his absence, the Directors present shall designate one of their number to preside.

Section 11. Order of Business. The order of business of Directors' Meetings shall be determined by the President, in consultation with the other officers and directors, and may include, as appropriate:

Roll Call.

Proof of due notice of meeting.

Reading and disposal of any unapproved minutes.

Reports of officers and committees.

Election of officers.

Unfinished business.

New business.

Adjournment.

ARTICLE IV FISCAL MANAGEMENT

Section 1. Depository. All funds of the Association shall be deposited in such banks or other depositories as are approved by the Board of Directors and shall be withdrawn only by checks bearing the signature of the Treasurer or the President or, in his/her absence, the Vice President.

Section 2. Execution of Legal Instruments. No note, contract, deed or other similar instrument shall be executed in the name of the Association except upon express approval by the Board of Directors and bearing the signature of the President and one other officer.

Section 3. Accounts. The receipts and expenditures of the Association shall be credited and charged to accounts under such classifications as may be established from time to time by the Board of Directors, all of which expenditures shall be common expenses. One of the accounts so established may be for Petty Cash Expenditures; the Treasurer is authorized to withdraw or withhold from this account an amount of money, not to exceed one hundred dollars (\$100) at any time, and shall keep accurate records of this petty cash fund, subject to audit at any time as prescribed by the Board of Directors.

Section 4. Budget. The Board of Directors shall adopt and present for the following annual meeting of the members, a budget for the following fiscal year, from October 1 of the current calendar year through September 30 of the following calendar year, that shall include the estimated funds for each account and reserve fund established for the conduct of the Association's business.

Section 5. Adjustment of Dues. In conjunction with the presentation of the budget, the Board of Directors may propose to the membership at their annual meeting, any adjustment of annual dues deemed by them appropriate for support of the budget as presented. Such adjustment shall become effective upon approval by a two-thirds majority vote of the Regular Members present in person or by proxy.

Section 6. Special Assessments. Assessments for emergencies or other special purposes that cannot be paid from the Association's funds for common expenses shall be made only after notice of the need for such is given in writing to the membership by the Board of Directors and a special meeting of the members is called for the purpose of approving the proposed assessment. The assessment shall become effective upon approval by two-thirds of the Regular Members present, either in person or by proxy, at the meeting thus called and it shall be due at such time and in such manner as the Board of Directors may require in the Notice of Assessment.

Section 7. Audit. An audit of the accounts of the Association shall be made annually by an Auditing Committee of two (2) members, not including officers or Directors of the Association, appointed by the President as soon as practicable after he (she) assumes office. The Auditing Committee shall report the results of their audit to the membership at the next annual meeting of the members. The books and records of the Association shall be open to inspection by any member of the Association upon request to the Board of Directors.

ARTICLE V COMMITTEES

Section 1. Appointment. The President shall appoint the members and chairmen of such committees as he (she) and the Board may deem appropriate and necessary. The President shall be an ex-official member of all committees.

Section 2. Conduct of Business. Committees shall conduct and report on their business as instructed by the President or the Board of Directors. In the absence of specific instructions, each committee shall determine the scope of its activities, take whatever action appears warranted, and report to the membership and/or the Board of Directors in the manner it deems most appropriate.

Section 3. Specific Committees. In addition to committees already designated under these By-Laws, namely: the Nominating Committee, to perform the duties set forth in Article III, Section 4 of these By-Laws; and the Auditing Committee, to perform the duties set forth in Article IV, Section 7 of these By-Laws, the President may designate other Committees such as a:

Membership Committee, to perform such duties as delegated by the Board of Directors in the procuring and processing of applications for membership,

Finance Committee, to assist and perform such duties as delegated by the Board of Directors in the planning of annual budgets or initiating recommendations for raising funds, and

Planning and Program Committee, to plan and arrange community activities approved by the Board of Directors and/or the membership, and such other committees as the President and the Board may deem appropriate.

ARTICLE VI PARLIAMENTARY RULES

Section 1. Roberts Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Articles of Incorporation or these By-Laws.

ARTICLE VII AMENDMENTS

Section 1. Procedures. These By-Laws may be amended in the following manner:

a. Notice of the subject matter of a proposed amendment shall be in writing and included in the Notice of any meeting at which a proposed amendment is considered.

b. A resolution adopting a proposed amendment may be proposed by either the Board of Directors or by Regular members of the Association. Directors and Regular members not present in person at the meeting considering the amendment may express their approval in writing, including written proxy, providing such approval is delivered to the Secretary at or prior to the meeting, or at such other time as may be determined by the members at the meeting.

c. Proposed amendments must be approved by not less than two-thirds of the entire Regular Membership of the Association to have force and effect.

Section 2. Limitation on Amendments. No amendment shall be made that is in conflict with the Articles of Incorporation, or Federal, State or local law.

Section 3. Execution and Recording. A copy of each amendment to a certificate, executed by the members of the Association, certifying that the amendment was duly adopted as an amendment of the By-Laws. The amendment shall be effective when such certificate and copy of the amendment are recorded in the Public Records of Anne Arundel County, Maryland.

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The foregoing were adopted as the By-Laws of the Southaven Community Association, Inc., a corporation not for profit, under the laws of the State of Maryland, at the first meeting of the Board of Directors on 21 July 1974; were amended by concurrence of two-thirds of the votes of the entire Regular Membership at the Association meeting held July 10, 1976; were amended by concurrence of two thirds of the votes of the entire Regular Membership at the Association meeting held September 18, 1988 (and the extended 30 day period); were amended by concurrence of two thirds of the votes of the entire Regular Membership at the Association meeting held September 14, 2003 (and the extended 21 day grace period); and were further amended by concurrence of two thirds of the votes of the entire Regular Membership during the month of March 2008.

