

BYLAWS
of
THE ANNAPOLIS COMMUNITY FOUNDATION, INC.

Article 1 - Name and Purpose

Name - The Annapolis Community Foundation, Inc., (the “Foundation”) is a not-for-profit, non-stock corporation organized under the laws of the State of Maryland. Its offices and programs are located and managed from 1919 West Street, Annapolis, Maryland, 21401.

Purposes - The purposes for which the Foundation is organized and maintained are to:

- a) Enhance the health, welfare, and well-being of the citizens of the City of Annapolis, Maryland;
- b) Initiate new, and support existing programs to enhance the cultural, social, and educational lives of the citizens of Annapolis, Maryland;
- c) Provide scholarships, based on need, for residents of Annapolis to attend an institution of higher education.
- d) Provide scholarships based on need, for children in Annapolis to attend camp;
- e) Provide financial support to environmental and cultural organizations and programs;
- f) Support historical preservation programs within the City of Annapolis;
- g) Enhance recreational opportunities for the citizens of Annapolis;
- h) Provide for welfare of the citizens of Annapolis with emphasis on youth and senior programs;
- I) Provide housing assistance, based on needs for City residents; and
- j) Raise and expend funds in support of the purposes.

Article II - Membership

Membership: The Directors of the Foundation shall constitute the voting members of the Foundation. The Board of Directors may create additional non-voting classes of membership to further the purposes of the Foundation. Benefits, if any, accruing to members or classes of members shall be determined by the Board of Directors.

Article III - Annual Meeting

Annual Meeting - An annual meeting of the membership shall be held each June commencing in the year following the year of incorporation at the offices of the Foundation or elsewhere as designated by the Board of Directors. At the annual meeting the members shall elect approximately one-third of the Member of the Board of Directors from among those duly nominated, and shall transact any other business that may come before the meeting.

Notice of Meeting - Written notice stating the date, place, time and purpose of the meeting shall be mailed or emailed not less than 10 days before the meeting to all those entitled to notice. Failure of notice to any Member shall not invalidate the meeting or any action taken at the meeting.

Quorum - A quorum shall exist if at least 50% of those eligible to vote shall be present either in person or by proxy.

Proxies - At the annual meeting or any other meeting a member entitled to vote may vote by proxy executed in writing and filed with the Secretary of the Foundation at or before the time of voting. A proxy may be filed by one other than the member giving the proxy.

Order of Business - The order of business at the annual meeting shall be:

- a. Establishment of a quorum
- b. Proof of notice of meeting
- c. Reading and adoption of minutes of the previous meeting
- d. Reports
- e. Election of Directors
- f. Unfinished business
- g. New business
- h. Announcements
- g. Adjournment

Article IV - Board of Directors

General Powers - The business and affairs of the Foundation shall be managed by the Board of Directors. The Board, in all cases, shall act as a unit, and individual members of the Board shall have no power or authority to act independently of the collective Board. The Board of Directors shall have all powers of the Foundation, including (by way of illustration, not limitation) but not limited to the power to make, amend, and abolish bylaws and other rules and regulations for the governance of the Foundation.

Number, Tenure, and Qualification - The number of Directors of the Foundation shall be no more than twenty-one (21). Each Director shall hold office for a term of three years or until a successor is elected. The initial Board shall be divided into three groups of approximately the same number of directors. One group of Directors shall serve for an initial term of one year, one group of Directors for an initial term of two years, and the third group of Directors for a full three year term.

All Directors shall be eligible for re-election if duly nominated. The incumbent Mayor of Annapolis shall be an *Ex Officio* member of the Board of Directors, and shall be counted as one of the 21 Directors, but shall not be limited to a three year term, the Mayor shall not be considered when determining a quorum.

Term of Office - The term of a Director shall commence immediately following his or her election to the Board by a quorum of those eligible to vote. A Director shall continue to serve until his or her successor is elected and commences to serve. In the event of a vacancy on the Board of Directors, the Board may nonetheless act as a Board provided the membership of the Board is not less than three.

Annual Meeting - The annual meeting of the Board of Directors shall normally be held immediately following the annual meeting at which Directors are Elected.

Regular Meetings - Regular meetings of the Board of Directors shall be held as determined by the Board or upon the call of the Chair. If the Board adopts and publishes to its members a schedule of regular meetings showing the time and place of each, then no further notice of meeting shall be required unless there is a change to the schedule. Otherwise, all Directors shall have at least five days written notice of each regular meeting. Any business of the Foundation may be conducted at a regular meeting

Special Meetings- Special meetings of the Board of Directors may be called by the Chair at any time and shall be called by the Chair at the request of a Majority of the Board. All Directors shall have at least five days written notice of any special meeting, which notice shall specify the time and place of the meeting and indicate the substantive matters to be considered. The business conducted at a special meeting shall be limited to the matters specified in the notice.

Telephonic Meetings - Meetings of the Board of Directors may be held by conference telephone or similar communications equipment if all directors participating in the meeting can hear each other at the same time. Participation in a meeting by electronic means shall constitute presence in person at the meeting.

Quorum - At any meeting of the Board of Directors, a majority of the directors shall be a quorum for the transaction of business and the action of a majority of directors present at a meeting having a quorum shall be a valid and binding action of the Board. Any member of the Board may have up to two written proxies which shall be counted toward a quorum. A quorum must be present to conduct business.

Open Meetings - All meetings of the Board shall be open to the public except those meetings, or those portions of a meeting dealing with personnel.

Vacancies - Vacancies on the Board shall be filled by remaining Directors to serve until the next annual meeting of the Foundation. If the number of Directors falls below three, the remaining Directors may meet and act for the limited purpose of electing directors.

Resignation - Any director may resign, and the resignation shall be effective when accepted by the Board. If the person resigning requests in writing, the resignation shall be effective on the date it is submitted to the President or Chair of the Board.

Removal of Directors - A Director may be removed without cause as determined by a two-thirds vote of the Board present at any meeting at which there is a quorum. Further, a Director may be removed for substantial cause by the majority vote of the Board present at a meeting at which there is a quorum. Substantial cause shall include failure to participate in the activities of the Foundation as evidenced by the failure to attend at least three consecutive meeting of the Board of Directors.

Compensation - Directors of the Foundation shall serve without salary or other compensation except that the Board may from time to time reimburse Directors for their actual and reasonable expenses incurred in the business of the Foundation. No Director shall profit financially from any action of the Foundation provided however that this provision shall not prevent any director from being duly compensated for professional services rendered to the Corporation.

Minutes - The Board of Directors shall keep minutes of its meetings and a full account of all transactions, financial or otherwise.

Article V - Officers

Generally - The Officers of the Corporation shall be a Chair, Vice Chair, Secretary, and Treasurer plus additional Vice Chair and assistant Secretaries or Treasurers as the Board may from time to time appoint. The Board may also appoint a President. No two of these offices may be held by the same person. Officers shall be elected from the Board of Directors, except that a President need not be a member of the Board of Directors. Officers shall be elected at first meeting of the Directors following the annual meeting of the Foundation. The Board shall fill any vacancies. Officer shall serve a term of one year and until their successors are elected.

Chair - The Chair shall serve a Chief Executive Officer of the Foundation, and be responsible for the general management of the Foundation. The Chair shall have such other powers and shall perform such other duties as may be assigned by the Board of Directors. The Chair shall preside at and conduct all meetings of the Board of Directors and of the Executive Committee. The Chair may sign all contracts and agreements in the name of the Foundation after they have been approved by the Board.

Vice Chair - The Vice Chair shall perform the duties and exercise the functions of the Chair, if either requested by the Chair or if the Chair is incapacitated. If there are multiple vice chairs, the Board of Directors shall determine which Vice Chair assumes the duties of Chair. If the Board has not made the determination, the Vice Chair with the longest tenure shall assume the duties of Chair. The Vice Chair shall have the powers and perform the duties as are assigned from time to time by the Board of Directors or the Chair.

Secretary - The Secretary shall keep accurate records and minutes of all meetings of the Corporation; make available copies of the minutes of the previous meeting and distribute them in advance of each meeting; cause to be delivered all notices of meetings entitled to those person entitled to vote as such meetings, and maintain the Minute Book of the Foundation. Additionally, the Secretary shall keep the corporate seal and affix the seal as directed by the Chair or the Board of Directors, and shall be the custodian of the corporate records. The Secretary shall have those addition powers and duties as may from time to time be assigned by the Board of Directors or Chair.

Treasurer - The Treasurer shall have overall responsibility for all funds and assets of the Foundation. The Treasures shall oversee the financial activities of the Foundation and shall assist the Chair and perform other duties as may be prescribed from time to time by the Board of Directors or Chair. The Treasurer shall serve as Chair of the Investment Committee.

President/Executive Director - The President/Executive Director shall be the Chief Operating Officer of the Foundation and shall report directly to the Chair. The President shall see that all orders, policies and resolutions of the Board of Directors are carried and shall be responsible for the active management of the affairs of the Foundation. The Executive Director shall have such other responsibilities as maybe assigned by the Chair or Board of Directors.

Bond - If required by the Board of Directors, any of the officers shall give a bond for the faithful performance of his or her duties in the amount with sureties as the Board determines, with all premiums to be paid by the Foundation.

Removal from Office - Any Officer may be removed without cause as determined by a two-thirds vote of the Board present at any meeting at which there is a quorum.

Article VI - Committees

Executive Committee - The Chair, Vice Chair, Secretary, and Treasurer of the Foundation shall constitute the Executive Committee of the Foundation. This Committee shall be empowered to make interim decisions between regular meetings of the Board of Directors which may be necessary from time to time to further the purposes of the Foundation, subject to any prior limitations by the Board. All decisions of the Executive Committee shall be reported in writing to the Board at the next regular meeting. Decisions may be ratified by majority vote of the Board, or shall be deemed ratified in the absence of affirmative vote, if there is no recorded vote rejecting or repudiating any decision of the Executive Committee. Additionally, the Executive Committee shall develop recommendations with respect to various matters pertaining to he affairs fo the Foundation and shall report such recommendations the Board.

Grants Committee - The Grants Committee shall determine, subject to approval of the Board of Directors, the recipients and amounts of the general awards to be made by the Foundation and shall be responsible for recommending to the Board of Directors both the various types of

Grants and eligibility for Grants, that the Foundation shall make. The Grants Committee shall consist of at least three members appointed by the Chair and who shall serve at the pleasure of the Chair. The Grants Committee may organize itself into various subcommittees.

Nominating Committee - The Nominating Committee shall be appointed by the Chair and approved by the Board. The Nominating Committee consisting of at least three Directors, who not less than 30 days prior to the annual meeting of the voting membership of the Foundation, shall present a slate of nominees for all expiring and vacant Directors. The Nominating Committee shall also nominate persons to serve as the elected officers of the Foundation.

Investment Committee - The Investment Committee shall be chaired by the Treasurer, with additional members appointed by the Chair and approved by the Board. The Investment Committee shall manage the funds and finances of the Foundation, subject to the approval of the Board.

Standing Committees - The Chair may establish such standing or ad hoc committees as the Chair determines are appropriate for conduct of the business of the Foundation. Members of Standing or ad hoc committees shall be appointed by the Chair.. All committee members shall serve at the pleasure of the Chair.

Article VII - Miscellaneous Provisions

Contracts - The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of or on behalf of the Foundation.

Loans - No loans shall be contracted on behalf of the Foundation and no evidence of indebtedness shall be executed or created in the name of the Foundation unless expressly authorized by resolution of the Board of Directors.

Deposits - All funds of the Foundation not otherwise employed shall be deposited promptly to the credit of the Foundation in the banks, trust companies or other depositories as the Directors may select.

Payments - All checks, drafts or other forms of payment issued or made in behalf of the Foundation shall be signed by the officer or officers and in the manner determined by the Board of Directors.

Indemnification - The Foundation may indemnify its Director, officers, employees, and agents to the fullest extent permitted by the General Laws of Maryland. Except to the extent prohibited by law, the indemnification provided by this provision shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under the Articles of Incorporation, any bylaw, agreement, vote of disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office, and shall continue as to a person who has ceased to be a Director, officer, employee or agent of the

Corporation and shall inure to the benefit of the heirs, and personal representatives of the individual.

Insurance - The Foundation shall have the power to purchase and maintain insurance on behalf of itself and any person who is or was a Director, officer, employee or agent of the Foundation and who, while a Director, officer, employee or agent of the Foundation is or was serving any of the entity at the request of the Foundation, and in any capacity, against any liability, asserted against and incurred by the individual in any capacity or arising out of the individual's position whether or not the Foundation would have the power to indemnify the individual against the liability under the provision of the Article.

Nondiscrimination - The organizations, Directors, officers, employees, agents and persons served by the Foundation shall be selected in a non-discriminatory manner with respect to age, gender, race, color, national origin, sexual orientation, and political or religious opinion or affiliation.

Article VIII - Fiscal Year

The fiscal year for the Foundation shall be the calendar year.

Article IX - Duality of Interest

Any Board member, officer, employee, or committee member having an interest in a contract or other transaction or determination presented to the Board of Directors or a committee of the Foundation for recommendation, authorization, approval or ratification shall give prompt, full and frank disclosure of his or her interest to the Board of Directors or committee prior to any action or discussion being taken with respect to the contract or transaction. The body to which such disclosure is made shall determine, by majority vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, the person with the conflict shall not vote on, discuss, nor use his or her personal influence on resolution of the contract, transaction or determination. However, if requested, the individual with the conflict may present factual information or respond to questions. An individual found to have a conflict shall not be counted in determining the existence of a quorum at any meeting where the contract, transaction or determination is under discussion or being voted upon. The minutes of the meeting shall reflect the disclosure made, the vote on the issue, and where applicable, the abstention from voting and participation and whether a quorum was present.

Article X - Amendments

These Bylaws may be amended, altered or replaced by the vote of two-thirds of the entire Board of Directors, provided each Director has received a copy of the proposed change at least 10 days before the meeting at which the proposed change is to be acted upon, proxy voting as provided by Article IV - Board of Directors, Quorum section..