

# **THIRD AMENDED BYLAWS**

## **Community Land Trust Association of West Marin (CLAM)**

### ***ARTICLE I - GENERAL PROVISIONS***

**Section 1** - The name of the corporation shall be Community Land Trust Association of West Marin, Inc., hereinafter referred to as the Corporation or CLAM. CLAM is the acronym of the Community Land Trust Association of West Marin.

**Section 2** - The principal office of CLAM shall be located in or near Point Reyes Station, Marin County, California.

### ***ARTICLE II - PURPOSES***

CLAM shall carry out educational and charitable activities within the meaning of Section 501(c)(3) of the Internal Revenue Code, including:

1. Providing permanently affordable access to land, decent housing and workplaces for current and future community members of low or moderate income.
2. Preserving the quality and affordability of housing for future low- and moderate-income residents of the community.
3. Acquiring and holding land in an environmentally sensitive and socially responsible manner, and promoting the long-term health and viability of the community.
4. Diminishing land and resource speculation that conflicts with the community's interest in conserving land and access to permanently affordable housing.
5. Developing and exercising responsible ecological practices that preserve, protect, and enhance the natural, scenic, recreational, and productive aspects of the land.
6. Serving as a model in land stewardship and community development, and enabling others to form community land trusts by providing information, resources, and expertise.

### ***ARTICLE III - MEMBERSHIP***

#### **Section 1 – Membership**

##### **A. Member Categories**

1. **Lessee Members** shall consist of homeowners or renters who lease land owned, leased or managed by CLAM or who rent housing in CLAM's service area of West Marin (Tomales, Marshall, Point Reyes Station, Olema, Inverness Park, Inverness), or any CLAM member who holds a position that represents the interests of those who would benefit from a CLAM home (ie school personnel, community service staff, healthcare staff, etc.). Lessee Members who are not leasing from CLAM must be a General Member, current with his/her membership fee
2. **General Members** shall consist of any person 18 years of age or older who lives in, owns a home in, or volunteers or is employed in the community surrounding Tomales Bay, or has otherwise demonstrated a commitment to that community, and is current with their membership fee, indicating support of CLAM's mission as established by the membership at the Annual Membership Meeting , or has requested and received a waiver of the fee by the Board of Trustees, substituting labor, goods or service for it.
3. Some members may qualify as both Lessee and General Members.

## **B. Voting Rights of Members**

1. Lessee Members who are CLAM lessees shall have the right to cast one vote per household and General Members shall have the right to cast one vote per paid membership to elect members of the Board of Trustees, as provided in Article 4, Section 3, and such other matters as are referred to the Membership for decision.
2. The approval of the majority of Members casting votes shall be required before action is taken on the following issues: removal of Board members, as specified in Article IV, Section 13b; disposition of assets in case of dissolution; amendment of the Articles of Incorporation or Bylaws.

## **C. Other Rights of Members**

All members shall have the right to serve on the Board of Trustees if elected by the Board and confirmed by the Membership at a Membership meeting, or if elected initially by the Membership at a Membership meeting. All members shall also have the right to serve on committees if elected or chosen by the Board, and to receive or inspect notices, minutes and reports as provided in these bylaws.

## **Section 2 - Continuing Requirements for Membership**

In order to maintain participating membership in CLAM, a member shall show continuing interest in CLAM and its mission, and pay annual membership dues as set at the Annual Membership Meeting (from which CLAM Lessees are exempt), or receive a waiver of dues from the Board of Trustees.

## **Section 3 - Membership Meetings**

- A.** The Annual Meeting of the Membership shall be held in the spring of each year, the location and time to be determined by the Board, and written notice given to all members at least one month before the meeting. The purpose of the meeting shall be for reports to the membership by the Board of Trustees, the election of Trustees, and the transaction of other business. A copy of the written Annual Report to the Membership by the Board shall accompany the notice sent to each member.
- B.** Special Meetings of the Membership may be called by any three Trustees or by 20% of the membership or by 20 members (whichever is fewer). Notice shall be given to all members at least seven days in advance of each Special Meeting. Notification shall be in writing and shall state the time and place of the meeting and shall include the agenda. At a Special Meeting, only those matters on the agenda for which the meeting was called may be acted upon by the Membership.

## **Section 4 - Procedures for Membership Meetings and Actions**

- A.** Annual Membership Meetings shall be open to any member of the community. Only members in good standing can vote.
- B.** Minutes of all Membership meetings shall be kept in the Corporation minute book, and shall be approved by the Membership at the next Membership meeting. The minute book shall be open for inspection by any interested person.
- C.** A Quorum at a duly noticed meeting shall consist of 5% of the members (or, except for a Special Meeting, 34% of the members for any issue not announced in the notice for the meeting).

- D. Absent Members may not vote by proxy but may submit statements to be read by a member representative. The statement need not endorse or reject a particular action, but must specify a clearly described and specific issue area, and must also show good cause for the member's absence.
- E. Any action, except election of Trustees, that members may take at any meeting of members may also be taken without a meeting by means of written ballot, if the written ballot of every member is solicited, specifying the percentage of approvals necessary to pass the measure and the time by which the ballot must be received in order to be counted. At least 2 weeks shall be given between the time a ballot is sent out and when it must be returned. Ballots may be sent by email, unless a member asks to receive a hard copy. A quorum of at least 5% of the Membership must send in ballots for a vote to be valid.

### **Section 5 – Resignation from Membership**

Any member may resign at any time by delivering or mailing a written resignation to the Board of Trustees.

### **Section 6 – Friends of CLAM**

Any person, business or organization, not qualifying as a member under Article III, Section 1 and 2, but having made a donation to CLAM of money, goods or services, may be a Friend of CLAM, entitled to receive periodic reports from the Board, and invitations to CLAM-sponsored events, work parties and social gatherings.

Friends of CLAM shall not have the right to vote but shall have the right to nominate Board members for the Public and General seats by submitting names to the Board at least 20 days before the date of the scheduled election for those seats.

## ***ARTICLE IV - BOARD OF TRUSTEES***

### **Section 1 – Number of Trustees**

The Board of Trustees shall consist of no fewer than six and no more than fifteen Trustees, as determined by consensus of the Board of Trustees. Trustees shall be nominated and elected as provided in these Bylaws. The Board shall seek to approximate the balance of representation provided in Section 2 of this Article. All Trustees must be elected at an Annual Meeting of the Membership, and removal of any Trustee shall require approval of the Membership, pursuant to Section 13 of this Article.

### **Section 2 – Composition of the Board**

There shall be three categories of Trustees, each approximating one-third of the total Board. The three categories shall be (1) "Lessee Representatives" representing Lessee Members, (2) "General Representatives" representing General Members, and (3) "Public Representatives" representing the interests of the general public. Some Trustees may qualify for more than one category..

If there are no Lessee Members willing or able to serve as Trustees, there shall be only two categories of Trustees, General Representatives approximating two-thirds of the Board, and Public Representatives constituting one-third of the Board.

In addition, at least one-third of the Trustees shall be low-income residents of the community and/or elected representatives of low-income neighborhood organizations. No more than one-third of the Trustees may be public officials or employees of the County of Marin.

### **Section 3 - Nomination and Election of Trustees**

#### **A. Nomination**

1. Lessee Members may nominate **Lessee Representatives** from among themselves. Such nominations must be submitted in writing to the Board at least 20 days in advance of the Annual Meeting. In the event there are an insufficient number of nominees for the Lessee Representative positions to be filled, those positions may be filled by General or Lessee Members nominated by General Members.
2. General Members may nominate **General Representatives** to the Board from among themselves. Such nominations must be submitted in writing to the Board at least 20 days in advance of the Annual Meeting **Public Representatives**. The Board of Trustees shall make nominations for members of the Board representing the public interest. Members and Friends of CLAM are encouraged to suggest nominees to the Board.
3. **Notice of Nominations.** A list of all persons nominated before the Annual Meeting in each of the three categories shall be posted on the CLAM website 5 days before the Annual Meeting
4. To ensure that all nominees are apprised of the responsibilities of Board Membership, a Board member will contact each nominee before the Annual Membership meeting, and the Board will arrange for training of new Board members after the election

#### **B. Election.** Trustees shall be elected by the Members present and voting at the Annual Membership Meeting, in accordance with the following procedures.

1. Each Member, whether Lessee or General, may vote for candidates in each of the three categories of Board Representatives.
2. Positions shall be filled by those candidates receiving the largest numbers of votes in their category, although such numbers may constitute less than a majority of the total votes cast.
3. To ensure, in keeping with the mission of CLAM, that renters and low-income residents of the community are represented on the Board, the Board shall ensure that at least one third of the Board of Trustees are low-income members and/or elected representatives of organizations serving the needs of low-income residents,

#### **C. Vacancy.** If any member of the Board vacates his/her office before expiration of term, the remaining Trustees may elect a person to fill the vacancy or may decide to leave the position vacant. An election to fill a vacancy shall be by majority vote of the remaining Trustees and shall occur as soon as possible following the occurrence of the vacancy. Any person elected to fill a vacancy on the Board should be reasonably expected to represent the interests of the constituents in the category in which the vacancy occurs. Such a replacement trustee shall serve until the next Annual Meeting of the Membership, at which time any unexpired portion of the term shall be filled by a person elected according to the procedures described heretofore in this article.

#### **Section 4 - Term of Office of Trustees**

- A. **Terms of Board.** Except as otherwise provided for in these Bylaws, each member of the Board of Trustees shall serve for a term of three years.
- B. **Re-election after three year term.** No person may serve as a member of the Board for more than two consecutive three-year terms unless s/he is nominated to serve an additional consecutive term by a fellow Board Member, approved by unanimous consent by the rest of the Board, and elected by the Membership at the next Annual Membership meeting. A Board Member who has termed out and has not been re-elected by the above procedure, can seek nomination and re-election to the Board at the Annual Membership Meeting at least one year after leaving his/her position on the Board.
- C. **Commencement of Term.** The term of office of a regularly elected member of the Board of Trustees shall commence upon his/her election. The term of office of a Trustee elected by the Board to fill a vacancy or additional Board position shall commence upon his/her acceptance of that position.

#### **Section 5 - Duties of the Board**

- A. Carry out the purposes of the Corporation, implement decisions of the participating membership, and be responsible for the general management of the affairs of the Corporation.
- B. Prepare a written Annual Report within 120 days of the end of the fiscal year, as required by law (Corp Code section 6321(d)-(e)) and obtain a financial audit for any tax year in which it receives or accrues gross revenues of \$2 million or more (excluding grant or contract income from any governmental entity that requires an accounting) (Govt Code section 12586(e)).
- C. Adopt an annual budget prior to the beginning of each fiscal year and approve any expenditures above \$2,500.00, or such other amount as is determined by the Board of Trustees that has not been specified in the annual budget.
- D. Select all officers of the Corporation.
- E. Supervise the activities of all officers, employees, agents, contractors, consultants, advisors and committees in the performance of their delegated responsibilities.
- F. Acquire land through donation, bequest or purchase and develop resources for the acquisition and use of land.
- G. Convey the right to use land in accordance with the purposes of the Corporation and the provisions of these Bylaws; inspect and supervise the use of land in accordance with the provisions of the leases; and terminate leases when necessary.
- H. Develop the resources necessary for the operation of the Corporation and for the acquisition and environmentally sound development and maintenance of land and housing.
- I. Assure the sound management of the Corporation's finances.
- J. Provide notice of meetings, minutes and reports, as provided in these Bylaws.

#### **Section 6 - Powers of the Board**

- A. Appoint and discharge advisors and consultants who have skills necessary or helpful to the Corporation.
- B. Employ, supervise and discharge Executive Director and oversee all other hiring and discharge decisions.

- C. Create such committees as are necessary to conduct the affairs of the Corporation. Ad hoc and temporary committees as well as standing committees may be established by the Board at its discretion. Any member of the Corporation or Friend of CLAM may be appointed to any committee. No committee may take action on behalf of CLAM except as authorized by the Board of Trustees.
- D. Call special meetings of the Membership.
- E. Approve the borrowing and lending of money as necessary to further the purposes of the Corporation and in accordance with Article IX, Section 7 of these Bylaws.
- F. Exercise all other powers necessary to conduct the affairs and further the purposes of the Corporation in accordance with the Articles of Incorporation and these Bylaws

### **Section 7 - Limitations on the Powers of the Board**

The Board of Trustees shall not take action on the removal of Trustees, amendment of the Articles of Incorporation or amendment of the Bylaws, or on the disposition of assets in the event of dissolution without the approval of the Membership, as provided in these Bylaws.

### **Section 8 - Conflict of Interest for Trustees**

No Trustee may vote on any matter in which such Trustee or any Trustee's parent, spouse, child, partner, employer, or similarly related business entity has a substantial interest in any property or business that would be substantially affected by such action.

### **Section 9 - Meetings of the Board of Trustees**

- A. **Annual Meeting.** The Annual Meeting of the Board of Trustees shall be held no later than one month following the Annual Meeting of the Membership, in the same general location. The Membership shall be notified of the date and location of that meeting.
- B. **Regular Meetings.** Regular Meetings of the Board shall be held monthly but no fewer than 10 times per year at such times and places as the Board may establish. An agenda of items for consideration shall be circulated by email to each Trustee at least three days before the regular meeting. Additional items may be considered at the meeting if a majority of Trustees concur.
- C. **Special Meetings.** Special Meetings of the Board may be called by the President or by any three Trustees. Notice must be given to each Trustee at least five days prior to the meeting, unless any three members of the Board determine that the matter at hand constitutes an emergency. In the event of such an emergency, a Special Meeting may be called on one day notice provided that every reasonable effort is made to notify all Trustees by telephone or in person of the time and place of the meeting and the matters to be considered. Email alone, without return receipt, is not sufficient to provide notice for emergency meetings. At a Special Meeting of the Board, only those matters for which the meeting was called may be acted upon unless all of the Trustees are present at the meeting and give their unanimous consent to take action on other matters.
- D. **Waiver of Notice.** Any Trustee may waive any notice required by these Bylaws. Any Trustee who has not received notice of a Board meeting but has attended that meeting shall be considered to have waived notice of that meeting, unless he or she requests that his or her protest be recorded in the minutes of the Meeting.

### **Section 10 - Procedures for Meetings and Actions of the Board**

- A. **Open Meetings.** All meetings of the Board of Trustees shall be open to any member, except when the Board has voted, during an open meeting, to go into executive session.
- B. **Executive Session.** A motion to go into Executive Session shall state the nature of the business of the executive session, and no other matter may be considered in the executive session. No binding action may be taken in executive session except actions regarding the securing of real estate purchase options or contracts in accordance with paragraph (2) below. Attendance in executive session shall be limited to the Trustees and any persons whose presence is requested by the Board of Trustees. Minutes of an executive session need not be taken; however, if they are taken, they shall be recorded as a part of the minutes of the meeting in which the Board has voted to go into executive session. The Board shall not hold an executive session except to consider one or more of the following matters:
  - 1. Contracts, labor relations agreement with employees, arbitration, grievances or litigation involving the Corporation when premature public knowledge would place the Corporation or person involved at a disadvantage;
  - 2. Real estate purchase offers and the negotiating or securing of real estate purchase options or contracts;
  - 3. The appointment or evaluation of an employee, and any disciplinary or dismissal action against an employee (however, nothing in this section shall be construed to impair the right of the employee to a public hearing if action is taken to discipline or dismiss);
  - 4. The consideration of applications from persons seeking to lease land and/or housing, purchase housing, or arrange financing from the Corporation;
  - 5. Relationships between the Corporation and any party who might be harmed by public discussion of matters relating to the relationship.
- C. **Minutes** shall be kept of all meetings of the Board (except Executive Sessions) and shall be approved at the next meeting.
- D. **Quorum.** A majority of the Board of Trustees shall constitute a quorum for any meeting,
- E. **Proxies.** Absent Trustees may not vote by proxy but may submit a written statement to be read by a Trustee representative. The statement need not endorse or reject a particular motion, but must specify a clearly described and specific issue area.
- F. **Decision Making.** The Board shall attempt to reach unanimous agreement on any decision and shall adopt procedures to facilitate consensus decision-making. However, when unanimous agreement is not reached on a particular decision and the majority of Trustees consider it essential that a decision be reached on that issue at that meeting, a decision shall be taken by majority vote, except for voting on the issues which, as provided in these Bylaws, may require consensus of the Board or a 2/3 vote.

### **Section 11 – Compensation of Trustees**

The members of the Board of Trustees shall serve without compensation (except for reimbursement of actual authorized expenses).

### **Section 12 – Resignation or Deemed Resignation of Trustees**

- A. Any Trustee may resign at any time by giving written notice to the Board.
- B. A Trustee shall be deemed to have given notice of resignation and his or her position shall be declared vacant by the Board if he or she fails to attend three consecutive meetings of the Board with the exception of emergency meetings unless good cause for absence and

continuing interest in participation on the Board are recognized by the Board. When a Trustee has failed to attend three consecutive meetings, without notifying the Board President in advance of the meeting of a good cause for his/her expected absence, the President shall notify him or her in writing that at the next regular Board meeting his or her position will be declared vacant unless the Board determines that there has been good cause for the Trustee's absences and that Trustee continues to be interested in participating on the Board. The notification by the President shall be mailed no later than 10 days prior to the Board meeting at which the position may be declared vacant. At this meeting, the Trustee in question shall be given the opportunity to show good cause for absence from meetings and continuing interest in participating on the Board. The resignation of a Trustee who has missed three consecutive meetings shall not become effective until the Board has declared the position vacant as provided herein.

### **Section 13 – Termination of Trustees**

- A. **Termination for Non-Attendance.** A Trustee can be terminated if s/he fails to attend 50% of Board meetings in any one year, unless he/she has demonstrated good cause for absence and a continuing interest in participation on the Board.. The procedure is the same as that in Section 12B, above.
- B. **Termination for Cause.** A Trustee may also be terminated for good cause, should he or she act in a manner seriously detrimental to the Corporation. However, before such termination can occur:
  - 1. Written charges specifying the objectionable conduct shall be filed with the Board of Trustees. Any member of the Corporation may file the charge.
  - 2. The Board of Trustees shall give a copy of the charges to the Trustee charged.
  - 3. The Trustee charged shall have at least ten days in which to request a hearing before a special committee consisting of three persons: one selected by the affected Trustee; one selected by majority vote of the Board of Trustees within ten days following the selection of the first, in consultation with the member who brought the charge; and one selected by the first two. These persons need not be members of the Corporation.
  - 4. If requested by the Trustee being charged, the committee shall hold a hearing, allowing both parties to present evidence in the presence of the other. After the hearing, the committee shall prepare a written report of its findings and its recommendation (by majority vote, if consensus cannot be reached) whether the Trustee should be removed. This report shall be completed within one month, if at all possible.
  - 5. A recommendation by the committee that the Trustee should be removed shall not become effective until approved by consensus of the remaining Trustees present at a duly noticed meeting held within one month of the submission of the committee's report, followed by a vote of the majority of the members casting ballots, pursuant to Article III.
  - 6. Recommendation by the committee that the Trustee should not be removed is binding on the remaining Trustees.
  - 7. If the Trustee does not request a hearing, the Board shall consider the charges within one month of receiving them and shall provided the affected Trustee with an opportunity to present evidence in his/her defense before the decision by the Board is made. The decision must be approved by consensus of the Board present at a duly-noticed meeting, followed by a vote of the majority of members casting ballots pursuant to Article III.



## **ARTICLE V – OFFICERS**

### **Section 1 – Officers**

The officers of the Corporation shall include a President, a Treasurer, and a Secretary.

### **Section 2 – Selection of Officers**

The officers of the Corporation shall be chosen by the Board of Trustees from among themselves at the first Board meeting following the Annual Membership Meeting. Any vacancies occurring in these offices shall be filled by the Board for the unexpired term.

### **Section 3 – Tenure of Officers**

The officers shall hold office until the Board meeting following the next Annual Membership Meeting after their selection as officer.

### **Section 4 - Duties of Officers**

#### **A. The President shall:**

1. Preside at all meetings of the Board and of the Corporation, or properly delegate such duty.
2. Report on the affairs of the Corporation to the membership at the Annual Membership Meeting.
3. Consult with the Treasurer and the Secretary regarding the fulfillment of their responsibilities.
4. Perform such other duties as the Board of Trustees may direct.

#### **B. The Treasurer shall:**

1. Oversee the collection of all money owing and receive all gifts of money or property to the Corporation.
2. Oversee the holding of all funds in such manner as the Board directs.
3. Oversee the disbursement of funds as the Board may order and/or authorize and the taking of proper vouchers for such disbursements.
4. Oversee the keeping of full and accurate account of all financial transactions, receipts, expenditures, debts owed by and to the Corporation, and the balance of funds and holdings in books maintained for that purpose.
5. Ensure that all necessary financial reports and tax returns are submitted to the federal, state and other authorities as required by law.
6. Perform such other duties as the Board of Trustees may direct.

#### **C. The Secretary shall:**

1. Ensure notice is given of all meetings of the Membership and the Board in accordance with these Bylaws.
2. Ensure a list of all members and their mailing addresses is maintained.
3. Keep the minutes of all meetings of the membership and the Board, and provide copies of the minutes as required by these Bylaws.
4. Confirm and record the status of motions and decisions in meetings of the membership of the Board.
5. Ensure that required annual officer statements and any other non-financial statements are submitted to the requisite state authorities.

6. Ensure all deeds, title papers, and assets in the name of the Corporation are maintained.
7. Perform such other duties as the Board of Trustees may direct.

### **Section 5 – Resignation of Officers**

Any officer may resign from his/her office at any time by giving written notice to the Board.

### **Section 6 – Removal of Officers**

The Board may remove any officer from his/her office at any time, with or without cause, by majority vote of the Board.

## ***ARTICLE VI - STEWARDSHIP OF LAND***

### **Section 1 – Principles of Land Use**

The Board of Trustees shall oversee the use of land owned by the Corporation and shall convey the right to use such land so as to facilitate access to land and affordable housing by low-income and moderate-income people. In so doing, the Board shall be guided by the following principles:

- A. The Board shall consider the needs of potential lessees and shall attempt to effect a just distribution of land use rights;
- B. The Board shall convey land use rights on terms that will preserve affordable access to land and housing for future low-income and moderate-income residents of the community;
- C. The Board shall convey land use rights in a manner that will promote the long-term well-being of the community and the long-term health of the environment

### **Section 2 – Supervision of Land Use**

The Board of Trustees shall supervise the use of the land and provide for periodic inspection and may initiate proceedings to terminate or reform leases if necessary for the protection of the land, the surrounding community, or the rights of future generations.

### **Section 3 - Use of Natural Resources**

The decision to convey or authorize the use of any minerals, timber or other natural resources owned by the Corporation, except for reasonable personal use by lessees, shall require the approval of 2/3 of the Board of Trustees present at a duly noticed meeting.

### **Section 4 - Encumbrance of Land**

The decision to mortgage or otherwise encumber land owned by the Corporation shall require approval of 2/3 of the Board of Trustees present at a duly noticed meeting.

## ***ARTICLE VII – AMENDMENTS to ARTICLES of INCORPORATION and BYLAWS***

The Articles of Incorporation may only be amended by a two-thirds vote of the Board of Trustees, present at a meeting with prior notification of the intent to amend the Articles, and by a majority of Members casting ballots, pursuant to Article III.

The Bylaws may be amended, in whole or in part, by a two-thirds vote of the Board of Trustees present at a meeting with prior notification of the intent to amend Bylaws , and by a majority of Members casting ballots, pursuant to Article III.

### ***ARTICLE VIII – DISSOLUTION***

In the event that the Corporation is to be dissolved, the assets of the Corporation shall be distributed as follows:

- A. To a local 501(c)(3) nonprofit community land trust corporation in good standing and organized and operated exclusively for charitable purposes serving an area close to the area in which the Corporation owns land and/or interests in land; or
- B. To a nonprofit fund, foundation, or corporation which is organized as a 501(c)(3) corporation and operated exclusively for charitable purposes and which agrees to administer the assets of CLAM in accordance with its goals and purposes; or

A motion for disposition of the assets of the Corporation shall be approved by 2/3 of the Board of Trustees present at a duly noticed meeting and a majority of the members casting ballots pursuant to Article III.

### ***ARTICLE IX – MISCELLANEOUS PROVISIONS***

#### **Section 1 - Openness and Public Accountability**

All meetings, minutes and records of the Corporation shall be open to any person upon reasonable request except for Executive Session meetings and minutes of Executive Session meetings.

#### **Section 2 - Fiscal Year**

The fiscal year shall be determined by the Board of Trustees.

#### **Section 3 - Notice**

Whenever, pursuant to the provisions of these Bylaws, notice is required to be given to any member or Trustee, such notice shall, unless otherwise provided, be given in writing or in person or by e-mail. If mailed or e-mailed, such notice shall be addressed to the person at such address as appears in the records of the Corporation.

#### **Section 4 - Program Development**

The Corporation shall actively solicit advice from the low-income community regarding any new development of housing for low- and moderate-income residents. An open public meeting shall be held in the vicinity of the development site to describe the proposed project. If deemed to be beneficial by the Board of Trustees, an advisory committee shall be formed that includes representatives of groups, such as neighbors, affected by the proposal.

#### **Section 5 - Deposit of Funds**

All funds of the Corporation not otherwise employed shall be deposited in such banks, trust companies, or other reliable depositories as the Board of Trustees from time to time shall designate.

#### **Section 6 - Checks, etc.**

All checks, drafts, endorsements, notes and evidences of indebtedness of the Corporation shall be signed by such officers or agents of the Corporation and in such manner as the Board of Trustees from time to time shall determine. Endorsements for deposits to the credit of the Corporation shall be made in such manner as the Board of Trustees from time to time shall determine.

#### **Section 7 - Loans**

No loans or advances shall be contracted on behalf of the Corporation, and no note or other evidence of indebtedness shall be issued in its name, except as authorized by the Board of Trustees. Any such authorization shall relate to specific transactions.

#### **Section 8 - Contracts**

Any officer or agent of the Corporation specifically authorized by the Board of Trustees may, on behalf of the Corporation, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board of Trustees.

#### **Section 9 - Indemnification**

Any person (and the heirs, executors and administrators of such person) made or threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was a Trustee or Officer of the Corporation shall be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorneys' fees and disbursements, incurred by him or her (or his/her heirs, executors or administrators) in connection with the defense or settlement of such action, suit or proceeding, or in connection with any appearance therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Trustee or officer is liable for negligence or misconduct in the performance of his or her duties.

#### **Section 10 – Insurance**

The Board shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees and other agents, to cover any liability asserted against or incurred by any officer, director, employee or agent in such capacity or arising from the officer's, director's, employee's or agent's status as such.