

MARYLAND HORSE COUNCIL, INC.
BYLAWS

ARTICLE I

NAME, FORMATION, TERM, OFFICE, PURPOSE, AND MANAGEMENT

SECTION 1. Name. The name of the Corporation shall be Maryland Horse Council, Inc. (hereinafter referred to as the "Corporation" or "Council").

SECTION 2. Formation. The Council is a non-stock, non-profit, tax-exempt corporation as organized under the laws of Maryland in compliance with Title 5 of the Corporations and Associations Annotated Code of Maryland ("the Code"), as may be amended from time to time, and as duly recognized by the State of Maryland and the Internal Revenue Service.

SECTION 3. Term. The Council began its existence July 25, 1985 upon the filing of Articles of Incorporation with and acceptance by State Department of Assessments and Taxation ("SDAT") and shall continue in perpetuity unless dissolved or forfeited pursuant to §5-208 of the Code.

SECTION 4. Principal Office. The principal office of the Council shall be as designated by the Board of Directors. The principal office of the Council may be relocated with approval of the Board of Directors. Any change to the location shall be duly reported to SDAT.

SECTION 5. Other Offices. The Council may also have an office or offices in such other place or places as the business of the Council may require and the Board of Directors may from time to time appoint.

SECTION 6. Purpose. The Council is organized as a trade association ("business league") pursuant to §501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code. Pursuant to the Articles of Incorporation, the Council shall exist for the following purposes:

- (a) **Advocate** on behalf of the equine industry in Maryland;
- (b) **Monitor** federal and state legislation and administrative decisions that could affect horses and/or horse activities;
- (c) **Serve** as a leader within the industry and with those outside the horse industry;
- (d) **Receive** and administer funds for the aforementioned purposes; and
- (e) For any lawful act or activity for which non-stock corporations may be conduct in the State of Maryland.

SECTION 7. Management. The Council shall be managed by the Board of Directors. The Board of Directors may retain an individual or entity to act as Executive Director. The Executive Director shall serve at the will of the Board. The Executive Director shall have immediate and overall supervision of the operations of the Council, and shall direct the day-to-day business of the Council, maintain the properties of the Council, hire, discharge, and determine the salaries and other compensation of all staff members under the Executive Director's supervision, and perform such additional duties as may be directed by the Board of Directors. No officer or member of the Board of Directors may individually instruct the Executive Director or any other employee. The Executive Director shall make such reports at the Board and Executive Committee meetings as shall be required by the President or the Board. The Executive Director shall be an ex officio member of all committees.

The Executive Director may be retained at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of a majority of the Directors present at any meeting of the Board Directors. Such removal may be with or without cause. Nothing herein shall confer any compensation or other rights on any Executive Director.

ARTICLE II MEMBERSHIP

SECTION 1. Qualification and Classification of Membership. Membership in the Council shall be open to groups, entities, and individuals. There shall be three categories of membership: Association, Industry Professional, and Individual. Acceptance into a particular category shall be at the discretion of the Board of Directors.

1.1. Association. Association membership is open to groups, clubs, and associations that have voting general memberships. Payment of dues as determined pursuant to these Bylaws shall entitle the association to designate one individual (and one alternate) as a voting Member of the Council.

1.2. Industry Professional. Industry Professional membership is open to any business, farm, service provider, or professional company, corporation, partnership, or sole proprietorship entity; and any legally formed not-for-profit or non-profit entity that has received or has applied for IRS recognition pursuant to §§501(c)(3)-(c)(9) of the US Internal Revenue Code. Payment of dues as determined pursuant to these Bylaws shall entitle the Industry Professional member to designate one individual (and one alternate) as a voting Member of the Council.

1.3. Individual. Individual membership is open to any individual. Payment of dues as determined pursuant to these Bylaws shall entitle individuals age 18 and older to serve as voting Members of the Council.

1.4. Limitations. Membership in the Council is subject to the limitations set out in Section 2 below.

SECTION 2. Duties, Responsibilities and Eligibility of Members. Members must pay their annual dues to be considered in "good standing." Members must regularly attend meetings and events in support of the Council.

2.1. Any person or entity convicted of criminal animal abuse shall be ineligible for membership in the Council for the term of the sentence, including any probation or parole, imposed by the Court, or for a period of one year if only a fine is imposed.

2.2. Any person or entity found to have violated the Safe Sport Code is ineligible for membership in the Council during the period of any Suspension or Restriction imposed by the United States Equestrian Federation (USEF), or permanently, if permanently banned by USEF.

SECTION 3. Membership Year and Annual Dues.

3.1. Membership Year. The Membership Year shall be for twelve consecutive months beginning from the date the membership fees are received and recorded by the Council. The amount of dues for each membership category shall be approved by the Board of Directors.

3.2. Dues. Membership may be attained by paying dues on an annual basis.

SECTION 4. Membership Benefits.

4.1. Voting. Voting may be cast electronically or in person at Membership Meetings called by the Council.

4.2. Holding Office. Members who have been in good standing for at least one year are eligible for nomination to the Board of Directors.

4.3. Other. The Council shall endeavor to provide a variety of benefits to its membership. Such benefits must be publicized on the Council's website and by other methods, as appropriate.

SECTION 5. Membership Meetings.

5.1. Notice. The Secretary shall send written notice of Membership Meetings to each Member at least twenty (20) days before the meeting. Such notice may be delivered by electronic mail or other verifiable means.

5.2. Annual Meeting. There shall be an Annual Meeting of the membership at which the activities, achievements, and priorities of the Council must be reviewed. The Annual Meeting shall be held in the month of November of each year.

5.3. Regular and Special Meetings. Membership Meetings will generally be held four times per year, and Special Meetings may be called at any time for any purpose or purposes by the President, Vice President, or by five (5) or more Members upon written request to the Secretary. Such request shall state the purpose or purposes of the meeting, and business transacted at the meeting shall be confined to the purpose or purposes stated in the meeting notice.

SECTION 6. Termination of Membership. Membership in the Council shall be terminated upon resignation of the Member; upon non-payment of dues; or by the Board of Directors, provided the Member has been notified in writing as to cause and permitted a full hearing before the Board of Directors.

ARTICLE III
BOARD OF DIRECTORS

SECTION 1. Official Business, Number, Qualification, Composition, Tenure, and Removal.

1.1. Official Business. Except as established in the Annual Membership Meeting and/or any other Membership Meeting called pursuant to these Bylaws, the business, policy, and priorities of the Council shall be established and conducted by the Board of Directors.

1.2 Number. The Board of Directors shall be comprised of not less than three (3) nor more than twenty-five (25) Members of the Council.

1.3. Qualifications. Directors of the Council shall be selected from Members in good standing who have been members of the Council for at least one year immediately prior to the nomination, and who have served on a Committee of the Council. When meeting as Directors, they may exercise the rights and powers of Members if in fact the Council has no members other than the Board members.

1.4. Composition. The Board of Directors shall be comprised of the proportionate number of representatives from each of the three membership categories to the total number of Members. Prior to each election, said proportionate number shall be determined at the discretion of the Executive Committee.

1.5. Tenure. The term of service for each Director shall be two years, beginning with the Fiscal Year following the election.

1.6. Removal - General. A Director may be removed from the Board of Directors for cause, following a hearing before the full Board, by two-thirds (2/3) vote of the remaining Directors present if a quorum exists. Such hearing shall be presided over by a hearing officer appointed by the Executive Committee, pursuant to procedures as determined by the Executive Committee. Any Director so removed shall also be removed from any committees, offices or appointments that Director may hold in the Council.

1.7. Removal - Failure to Attend Meetings. Directors have a fiduciary duty to attend at least sixty (60%) percent of the annual Board meetings, and at least 3 of the quarterly membership meetings.

1.7.1. Failure of a Director to attend at least sixty percent (60%) of the Board meetings in one year will be deemed a proffer of resignation by the Director in question, to be accepted or not, as the case may be, by the Executive Committee.

1.7.2. Failure of an Officer to attend at least seventy percent (70%) of the Board meetings in one year will be deemed a proffer of resignation from the Officer's position, to be accepted or not, as the case may be, by the Executive Committee.

1.7.3. Three or more consecutive and unexcused absences from Board meetings will be deemed a resignation from and forfeiture of the Director's seat.

SECTION 2. Selection of Directors. A Nominating Committee (see Article V, Section 3) shall present a slate of candidates to the Board of Directors prior to the Winter Meeting of the Members.

2.1. The Board of Directors must veto any candidate presented by the Nominating Committee who does not meet the criteria for service on the Board of Directors, as set out in these Bylaws.

2.2. The Board of Directors may veto a candidate for any other reason, or no reason, upon a majority vote of the Directors present.

2.3. The slate must be presented to any Member in good standing for review no later than thirty (30) days prior to the Winter Meeting.

2.4. Members may make additional nominations from the floor provided they do so within ten (10) days of received the slate. A Member may not, however, nominate himself or herself.

2.5. If additional nominations are made, a revised ballot must be sent to the Members to review no later than fifteen (15) days prior to the Winter meeting.

2.6. Electronic voting for the Board of Directors must close prior to the Winter Meeting for purposes of calculation of votes.

2.7. The newly elected Directors shall be announced at the Winter Meeting. The Nominating Committee shall endeavor to present a slate of candidates for each membership category that represents to the greatest extent possible the diversity of membership within that category.

SECTION 3. Vacancies. Upon the death, removal, or voluntary resignation of any Director, if such event causes the total number of Directors to fall below three, the Nominating Committee shall present to the Members a slate of candidates to fill the vacancy. Such slate must be presented to the Members within 30 days of the vacancy, with voting and announcement of the results according to the procedures set forth in Section 2 of this Article,

SECTION 4. Authority. The Board of Directors shall have the authority to transact any and all business of the Council between the Annual Meetings of Members, and shall direct the Executive Committee to implement its authority as necessary and appropriate.

SECTION 5. Expenditures. The Board of Directors must preauthorize all non-budgeted transactions that will or may result in large or unusual expenditures. Large or unusual expenditures are defined as amounts larger than Five Thousand Dollars (\$5,000.00), expenditures that will compromise the fiscal health of the Council or unexpected expenditures not typically managed by the Council.

SECTION 6. Board of Directors Meetings.

6.1. Regular Meetings. The Board of Directors shall meet monthly for the purpose of reviewing financial records and other transactions, and discussing those matters properly before the Board. Meetings of the Board of Directors are not open to the Membership or to the public. Before each meeting of the Board of Directors, the President shall provide an agenda and an update of business affairs, including but not limited to a monthly financial statement.

6.2. Special Meetings. Special meetings of the Board of Directors may be called by the President or by written request of two or more Directors.

6.3. Notice. Directors shall be notified of all meetings of the Board of Directors at least twenty (20) days before the meeting by (1) written communication, (2) electronic communication, or (3) by telephone

specifying the purpose, date, time, and location of the meeting. The Secretary shall be responsible for the notification of all Directors.

6.4. Quorum. A quorum shall require one (1) officer, either the President or Vice President, and one-third (1/3rd) of elected Directors to attend either in person or via other effective electronic means.

6.5. Voting. A majority vote of all Directors in attendance in person or electronically at any meeting shall be sufficient for official business if a quorum is present. Voting may be by (1) show of hands, (2) voice, (3) paper ballot, or (4) electronic communication. The Secretary shall be responsible for noting the method and outcome of all voting. Directors have a responsibility in the nature of a fiduciary duty to the Members of their membership category to communicate with those Members to ascertain their views prior to voting, to the extent possible.

6.6. Minutes. Minutes of all meetings of the Board of Directors shall be taken by the Secretary or his/her designee if the Secretary is unavailable. Minutes should be made available to the Membership as appropriate.

ARTICLE IV OFFICERS OF THE BOARD

SECTION 1. Number and Tenure of Officers. Only Members in good standing elected to the Board of Directors of the Council may serve as Officers of the Council. There shall be a President, Vice President, Secretary, and Treasurer. An officer may not hold more than two officer positions at one time. An officer position may be held by more than one person, each of whom shall ensure that the full powers and duties of the office shall be fulfilled by mutual agreement.

The tenure of Officers shall be for two years corresponding with the fiscal year. There is no limit on the number of terms an officer can serve, but in no event shall an officer serve in the same office for more than four consecutive years.

SECTION 2. Election of Officers. The Board of Directors shall elect the Officers of the Council. The Officers must be nominated by the the Nominating Committee. The election of Officers shall take place after the Winter Meeting and not less than three (3) months prior to start of the following Fiscal Year.

SECTION 3. Vacancies. Upon the death or voluntary resignation of any Officer, the Board may appoint a Board member in good standing to fill any vacancy. If no Board member is willing or available to fill the position, the President may appoint an interim, ex officio (non-voting) member to perform the duties of the office until such time as a Board member can assume the role.

SECTION 4. Compensation of Officers. Officers will not, and cannot, be compensated for their duties as Officers of the Council.

SECTION 5. President – Powers and Duties. The President shall be the principal executive officer of the Council and Chair of the Board of Directors. The President shall preside over all meetings of the Council. The

President shall conduct the affairs of the Council in accordance with the state and federal laws governing corporations, the Bylaws, the Articles of Incorporation, and any and all policies and decisions promulgated by the Board of Directors. The President must present an Annual Report of Council business at the Annual Meeting of the Members. The President shall appoint committee Chairs as needed.

SECTION 6. Vice President – Powers and Duties. The Vice President shall assume the duties of the President in his/her absence and shall assist the President in the conduct of the affairs of the Council as delegated by the President. In the event of resignation or other permanent absence of the President, the Vice President shall assume the duties of that office.

SECTION 7. Secretary – Powers and Duties. The Secretary shall be responsible for maintaining the minutes of the meetings of the Council. The Secretary shall be responsible for receiving and responding to all correspondences under the general direction of the President and/or the Board. The Secretary shall be the custodian of all records, documents, and other corporate property of the Council. The Secretary shall maintain a complete list of Members and their respective addresses. Upon expiration of his/her term of office, the Secretary shall deliver all records, documents, and other Council property to his/her successor. The Council may hire, for the purposes of assisting the Secretary with his/her responsibility, professional services specifically for the purpose of day-to-day management.

SECTION 8. Treasurer – Powers and Duties. The Treasurer shall be responsible for maintaining the financial records of the Council. The Council may hire, for purposes of assisting the Treasurer with his/her responsibility, professional services specifically for the purpose of financial management. All monies collected shall be deposited in a financial institution designated by the Board of Directors. Disbursements shall be made pursuant to Board policies and procedures. The Treasurer shall submit a report at the regular meetings of the Board of Directors and shall present a written report at each Annual Meeting of the Members. The report presented at the annual meeting shall be duly audited under the direction of the designated accountant or other acceptable standards of accounting procedures, including review by the Auditing Committee.

ARTICLE V COMMITTEES

SECTION 1. The Board may designate one or more committees. The committees are to operate under the supervision and control of the Board of Directors. Such committee or committees shall have such names as may be determined from time to time by the President or the Board of Directors.

1.1. Committee Designations. Committee shall be designated as follows:

1.1.1. Standing committees are those committees required to conduct ongoing business of the Council. The Executive Committee, Nominating Committee, and Auditing Committee are necessary to the operations of the Council and shall be designated as standing committees.

1.1.2. Programming committees are those committees created by the Board to focus on a particular issue or particular sector of the horse industry.

1.1.3. Ad hoc committees are those committees needed from time to time for limited purposes.

1.2. Committee Chairs. The chairperson of all committees shall be appointed by the President. If the chairperson is not a Board member, the President shall appoint a Board member to be the Vice Chair. The chairperson may solicit the number of Members required to fulfill the responsibilities and tasks assigned to that committee. Any Member in good standing may be asked to serve on a committee. The chairperson is responsible for presenting committee reports to the Board of Directors, and to the Executive Committee upon request.

SECTION 2. Executive Committee.

2.1. Composition. There shall be an Executive Committee comprised of the President, Vice President, Secretary, and Treasurer.

2.2. Purpose. The Executive Committee has the power to: conduct the day-to-day business of the Council when the Board of Directors is not sitting; hire and fire employees in the absence of an Executive Director, and; approve non-budgeted expenses over \$2500 but under \$5000. The Executive Committee shall meet as required to implement the policies and priorities established by the Board and for the transaction of business in furtherance thereof.

2.3. Meetings. Executive Committee meetings shall occur at a time and place to be designated by the President. A quorum shall require either the President or Vice President and two (2) other members of the Executive Committee attending in person or via electronic participation.

SECTION 3. Nominating Committee. The Board of Directors shall select a Nominating Committee consisting of at least two Directors and one Member. The Nominating Committee shall be selected by the Board of Directors at any regular meeting of the Board of Directors no later than three (3) months prior to the Winter Meeting. The President may serve as a non-voting member.

SECTION 4. Audit Committee. The Board of Directors shall select an Audit Committee consisting of an Officer or Director, as Chair, one additional Director, and one Member of the Council. The Treasurer may not be a member of the Audit Committee. The Audit Committee shall be selected by the Board of Directors at any meeting of the Board of Directors no later than three (3) months prior to the Annual Meeting. The Audit Committee is responsible for reviewing the financial records of the Council for the past year, using acceptable standards of accounting practices, and preparing a report for the Annual Meeting regarding the financial integrity and accuracy of accounting practices of the Council. The Audit Committee may, with approval from the Board of Directors, employ the assistance of professional accountants and make recommendations to the Board of Directors for the appropriate employment of a professional audit or review.

ARTICLE VI
ADVISORY BOARD

SECTION 1. Purpose. Members of the Advisory Board advise the Board of Directors in its strategic decision-making process and provide advice to the Board of Directors in a meaningful manner on a regular basis in different areas, including but not limited to law, organizational development, technology, policy, fundraising, programs, and outreach.

SECTION 2. Composition. The members of the Advisory Board shall be comprised of individuals whose abilities, experiences, and knowledge will enhance the overall mission and operations of the Council. The Board of Directors shall select those individuals whose personal or professional background will provide expertise to the Board of Directors.

SECTION 3. Number and Tenure. The number of Advisory Board members shall be determined by the needs and requirements of the Board of Directors, but shall not exceed six (6). The tenure of each Advisory Board member shall be indefinite until such time as the Advisory Board member tenders his/her resignation to the Board of Directors, or is found incompetent or incapacitated, or for any other reason is found unable to fulfill his/her responsibilities as an advisor to the Board of Directors.

SECTION 4. Compensation. Members of the Advisory Board shall not be compensated for their participation.

ARTICLE VII
RIGHTS AND DUTIES OF DIRECTORS, OFFICERS, AND
ADVISORY BOARD MEMBERS

SECTION 1. Standard of Conduct. At all times, the Directors and Officers of the Council, and any members of the Advisory Board, are to direct their activities and conduct themselves in accordance with state and federal law governing non-profit corporations, including but not limited to the duty of care and loyalty; the duty to act in good faith; the duty to perform their duties with diligence and honesty; and the duty to act in the best interests of the Council. Officers, Directors, and Advisory Board members must also comply with Maryland Volunteer Protection Act.

SECTION 2. Duty of Care. The Duty of Care requires Directors, Officers, and Advisory Board members to exercise independent judgment, to be informed, to delegate responsibly when working with volunteers and other agents of the Council, and to adopt policies and procedures to ensure the management of the Council fulfills its purposes and obligations as a non-profit organization.

2.1. Rights. The Directors, Officers, and Advisory Board members have the right to be informed, and should, whenever necessary, obtain additional information from professional and/or independent resources in performing the task of decision-making.

2.2. Responsibilities. As managers of the Council, the Directors and Officers have the responsibility to be informed. Directors and Officers are required to (1) attend meetings of the Council, (2) communicate openly with other Directors and Officers of the Council, (3) supervise such duties as are appropriate to delegate to volunteers and other agents of the Council, and (4) adopt policies and procedures that serve the Council's best interest.

SECTION 3. Duty of Loyalty. The Duty of Loyalty requires Directors, Officers, and Advisory Board members to exercise their powers in good faith and solely for the best interests of the Council. Directors, Officers, and Advisory Board members are prohibited from using their positions for individual personal advantage or for promoting their own business or professional interests.

3.1. Rights. As managers of the Council, the Directors and Officers have the right to (1) access management, (2) review corporate books and records, (3) receive notice of meetings, (4) dissent, and (4) access minutes of all meetings.

3.2. Responsibilities. The Directors, Officers, and Advisory Board members have the responsibility to (1) maintain the confidentiality of the Council's affairs, (2) avoid conflicts of interest, and (3) fully disclose to the Council material facts regarding any transactions that may result in a breach of the Director's or Officer's duty of loyalty.

SECTION 4. Duty of Confidentiality. The Duty of Confidentiality requires Directors, Officers, and Advisory Board members to maintain the confidentiality of those matters brought before the Board of Directors and to exercise good judgment when discussing matters of the Council or Board matters with other individuals.

ARTICLE VIII POLICIES OF THE COUNCIL

SECTION 1. Corporate Conduct. The Board of Directors shall conduct themselves in accordance with these Bylaws and those policies adopted by the Board of Directors from time to time.

SECTION 2. Conflict of Interest Policy. A Conflict-of-Interest Policy must be adopted by resolution by the Board of Directors. The policy must provide the procedures by which the Council will assure that the setting of compensation, management of business affairs, and contract negotiations shall not compromise the purposes for which the Council has been formed or the manner in which the business operations of the Council are conducted.

SECTION 3. Operations. The Board of Directors must operate the Council in a manner consistent with its tax-exempt purposes. The Board of Directors must not adopt operational or other policies that could jeopardize its tax-exempt status.

SECTION 4. Periodic Reviews. The Board of Directors shall conduct periodic review of its operations, policies and bylaws, and such review shall be reported at the Annual Meeting.

ARTICLE IX INDEMNIFICATION

SECTION 1. Definitions. As used in this Article IX, any word or words that are defined in §2-418 of the Corporations and Associations Article of the Annotated Code of Maryland, as amended from time to time (the "Indemnification Section"), shall have the same meaning in this Indemnification Section.

SECTION 2. Indemnification of Directors and Officers. The Council shall provide Directors & Officers Insurance for the purpose of indemnifying each Director and Officer for any act or omission the Director or Officer performs or omits to perform with respect to Council matters, unless the act or omission involves fraud, gross negligence, or an intentional breach of the Bylaws and/or policies of the Council.

SECTION 3. Indemnification of Other Agents. The Council may indemnify other agents of the Council, including employees and/or volunteers, for any act or omission the agent performs or omits with respect to Council matters, unless the act or omission involves fraud, gross negligence, or an intentional breach of the Bylaws and/or policies of the Council.

ARTICLE X POLITICAL ACTIVITIES

SECTION 1. Authorized Activities. Per §501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the Council is limited in those activities which promote public policy issues. The Council shall limit any activities which are political or legislative in nature to the following activities:

1.1. The Council is permitted to conduct lobbying activities as they relate to its tax-exempt purposes.

1.2 The Council may conduct educational meetings in a neutral and unbiased manner regarding public policy issues that would be considered important to those individuals interested in the services of the Council. Such educational meetings shall not be for the purpose of promoting any individual member, or any individual business, association, or professional organization.

1.3. The Council may conduct candidate educational meetings only if all candidates running for that office are invited to attend such a meeting for the purpose of engaging in a balanced informational forum; and

1.4. The Council may assist in local voter registration drives in a neutral and unobtrusive manner.

1.5. Individual Members are not restricted from active participation in political campaigns or activities. Such activity must be separate from Council activities that may be prohibited based on its tax-exempt status.

SECTION 2. Unauthorized Activities. Per §501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the Council may engage in some political activities, so long as they are not its primary activity. The Council may not participate directly or indirectly, or intervene, in political campaigns on behalf of or in opposition to any candidate for public office. Expenditures made by the Council for political activities may be subject to tax under Section 527(f).

ARTICLE XI FUNDRAISING ACTIVITIES

SECTION 1. Purpose. All fundraising activities of the Council shall be solely and exclusively for generating revenues for the operation of the Council in fulfilling its purposes in accordance with these Bylaws and the Articles of Incorporation. The Council cannot conduct any fundraising that would inure to the benefit of any individual member, association, or business.

SECTION 2. Methods. Methods in which fundraising activities may be conducted include, but are not limited to: (a) direct mailings; (b) email solicitations, restricted to authorized email addresses only; (c) personal solicitations; (d) phone solicitations; and (e) acceptance of donations. Unsolicited donations may also be accepted from individuals and organizations wishing to assist the Council in fulfilling its purposes.

SECTION 3. Limitations. Per §501(c)(6) of the Internal Revenue Service, no fundraising nor any part of net earnings shall inure to the benefit of any individual within or outside the Council.

ARTICLE XII FISCAL RESPONSIBILITIES – BANK ACCOUNTS

SECTION 1. Fiscal Year. The fiscal year of the Council shall begin July 1 and end June 30 of each year.

SECTION 2. Deposit Accounts. The Board of Directors shall from time to time authorize certain officers or other agents of the Council to deposit funds of the Council in such banks, trust companies, or other institutions as shall be authorized from time to time by the Board of Directors.

SECTION 3. Checks and Drafts. The Board of Directors shall from time to time authorize certain officers or other agents of the Council to withdraw funds of the Council upon checks, drafts, or other instruments or orders for the payment of money.

SECTION 4. Signatures. There shall from time to time be certified to the banks or trust companies in which funds of the Council are deposited, the signatures of all officers or agents of the Council authorized to draw against the same. Only one authorized signature shall be required except that any check, draft, or other instrument or order for the payment of money in an amount greater than One Thousand Dollars (\$1,000) shall be signed by the President or Treasurer. No check, draft or other instrument or order for the payment of money for a non-budgeted expense in an amount greater than \$1000 shall be issued unless pre-approved by the Executive Committee. Any check, draft or other instrument or order for the payment of money for a non-budgeted expense in an amount greater than \$5000 must also be approved by a majority vote of the Board of Directors, prior to entering into the underlying transaction.

ARTICLE XIII AMENDMENTS

SECTION 1. Amendment of Bylaws. The Board of Directors have the power and authority to amend, alter, or repeal these Bylaws or any provision thereof by a two-thirds majority vote at any meeting at which a quorum is present, provided all current Members are given reasonable notice of proposed changes and an opportunity for presenting their views prior to the meetings. The vote can be conducted by electronic means, including but not limited to email.

ARTICLE XIV TERMINATION OF CORPORATION

SECTION 1. Event of Dissolution. The dissolution of the Council shall only be approved by resolution of a majority of the entire Board of Directors in accordance with the relevant provisions of the Maryland Annotated Code and the U.S. Internal Revenue Code.

SECTION 2. Procedure for Winding up and Dissolution.

2.1. Assets Distribution. If the Council is dissolved, the Board of Directors shall wind up its affairs in accordance with state and federal law. On winding up of the Council affairs, the assets of the Council shall be distributed, first to creditors of the Council. The remaining assets shall be distributed pursuant to the tax-exempt nature of the Council per the Articles of Incorporation.

2.2. Method. The Council may pre-determine to which organization or organizations, similarly organized and operating exclusively for such purposes as the Council, the remaining assets shall be distributed. If the Council does not designate an organization or organizations which qualify within the meaning of §501(c)(6) of the Internal Revenue Code, or the corresponding section of any future federal tax code, the remaining assets of the

Council shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Council is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

SECTION 3. Filing of Articles of Dissolution. If the Council is dissolved, the Members shall promptly file the Articles of Dissolution with the Maryland SDAT and with the federal Internal Revenue Service. If there are no remaining Members, the Articles shall be filed by the last person to be a Member; if there are no remaining Members, the legal representative of the Council shall file the Articles.

ARTICLE XV

EFFECTIVE DATE

SECTION 1. These by-laws will become effective on July 1, 2023.

APPROVED: June 15, 2023.