

BELMONT VILLAGE COMMUNITY ASSOCIATION

BYLAWS

of

Belmont Village Community Association A Pennsylvania Nonprofit Corporation

ARTICLE 1 – NAME AND DEFINITIONS

Section 1.1. Name.

The name of the corporation shall be BELMONT VILLAGE COMMUNITY ASSOCIATION.

Section 1.2. Definitions.

The following terms used in these Bylaws shall have the meanings set forth below.

- (a) “Act” means the Pennsylvania Nonprofit Corporation Law of 1988, as amended.
- (b) “Board” means the Board of Directors of the Corporation.
- (c) “Code” means the Internal Revenue Code of 1986, as amended.
- (d) “Association” means BELMONT VILLAGE COMMUNITY ASSOCIATION, the name of the corporation.
- (e) “Director” means an individual serving on the Board.

ARTICLE 2 – PURPOSE

Section 2.1. Purpose.

The Association is organized and operated exclusively for charitable purposes within the meaning of both the Act and of section 501(c)(3) of the Internal Revenue Code, or any corresponding section of any future federal tax code. The Association is organized and operated in that section of the City of Philadelphia bounded by the western side of Belmont Avenue to the east, the southern side of City Avenue to the north, the grounds of the Bala Golf Club to the west and Hayes Avenue to the south exclusively for purposes that are beneficial to the public interest within the meaning of section 501(c)(3) of the Internal Revenue Code, including: the lessening of the burdens of government, the maintenance of public buildings, monuments, and works, the lessening of neighborhood tensions, the elimination of prejudice and discrimination, and the combating of community deterioration.

This Association does not contemplate pecuniary gain or profit, incidental or otherwise, to its members. No part of the net earnings of the Association shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in this Article.

No substantial part of the activities of the Association shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Association shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Notwithstanding any other provision of these articles, the Association shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

ARTICLE 3 - MEMBERS

Section 3.1. Membership.

The Association shall have members. Membership in the Association shall be open to: (1) any person 18 years of age or older who resides or owns real property within the area delineated in Article 2 and (2) any commercial or institutional establishment within the area delineated in Article 2. Any membership established under (1) above shall be entitled to one vote. Any membership established under (2) above shall be entitled to one vote, which may be cast only by an agent of that establishment duly authorized in writing to represent it to this Association.

Membership in the Association, and thus voting rights, shall be maintained only by the payment of annual dues. The Board reserves the right to change the amount of dues by majority vote, but the due amount may not be changed in the current fiscal year once established.

Membership in the Association is neither transferable nor assignable.

ARTICLE 4 - BOARD OF DIRECTORS

Section 4.1. Board of Directors.

The business and affairs of the Association shall be managed under the direction of the Board. The powers of the Association shall be exercised by, or under the authority of, the Board except as otherwise provided by statute, the Articles of Incorporation, or these Bylaws. The Board shall be comprised of Directors.

Section 4.2. Number of Directors.

The Board shall consist of no fewer than five (5) but no more than fifteen (15) Directors.

Section 4.3. Officers.

At least four (4) of the Directors above shall be officers of the Association. The officer positions include a President, a Vice President, a Secretary, and a Treasurer. The officers may include one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as the Board may determine by resolution. None of these offices may be held by the same person. In the subsequent sections of this article as well as the remaining articles, the term “Director” will also apply to any officer unless specifically stated otherwise.

Section 4.4. Qualifications of Directors.

Each Director shall be a member as defined in Article 3 and must have been, with the exception of the President, a member in good standing for at least one full calendar year prior to the day of the joining the Board. The President must be an existing Director of the Association for at least one full calendar year prior to the day of joining the Board in this specific officer role.

In electing Directors, the Association shall consider each candidate’s willingness to accept responsibility for governance including availability to participate actively in Board activities, areas of interest and expertise, and experience in organizational and community activities.

Section 4.5. Term of Office.

Except as otherwise provided by resolution of the Board, each Director’s term begins at the time of his or her election. Each Director shall hold office until (a) the expiration of the term for which he or she was elected and until his or her successor has been elected and qualified, or (b) his or her earlier death, resignation, or removal.

Each Director shall serve a term of two years initially. Based upon a director’s activity level and commitment to the Association, a Director can be nominated to serve a second term of two years for the same office. No Director can serve more than four years consecutively in the same office.

Section 4.6. Procedure for Nomination of Candidates for Director.

The Board President shall post on the BVCA website or announce in the BVCA newsletter all available board openings at least two weeks before the September General Meeting. At the September General Meeting, the Board President shall declare that the nominations of candidates for election as Director are open and shall call for nominations from the floor. Nominations may be made by any member who is entitled to vote at the meeting. Nominations must be seconded. After nominations have been made, the Board President shall, on motion, declare the nominations closed, and thereafter no further nominations may be made. Members will then cast their votes at this meeting.

Section 4.7. Vacancies.

Vacancies in the Board, including vacancies resulting from (a) an increase in the number of Directors, (b) the lack of a person interested in being nominated for the position, or (c) the death, resignation, or removal of a Director shall be filled by a majority vote of the remaining Directors. Each person so elected shall be a Director to serve for the balance of the unexpired term.

Section 4.8. Removal of Directors.

The removal of a Director of the Association shall terminate the Director's term in office. Any Director may be removed from the Board, without assigning any cause, by a two-thirds majority vote of the Board then in office whenever in its judgment the best interests of the Association will be served. The vote may occur at any meeting of the Board provided that written notice has been given to all members of the Board at least ten (10) days in advance, stating the time and place of the meeting and the proposed removal of the designated Director. Such Director shall be entitled to vote upon the question of his/her removal. Notice given by email to a Director who has provided an email address to the Association shall be sufficient to meet the notice requirements of this paragraph.

Section 4.9. Resignations.

Any Director may resign at any time by giving written notice to the Association. The resignation shall be effective upon receipt by the Association or at such subsequent time as may be specified in the notice of resignation.

Section 4.10. Compensation of Directors.

Directors shall receive no compensation for their services as Directors or as committee members. However, the Association may compensate a Director for providing services to the Association in any other capacity, including that of paid officer, employee, or agent of the Association. Directors who serve as paid officers, employees, or agents of the Association shall not participate in any vote of the Board with respect to their compensation. Subject to any policy adopted by the Board, Directors may be reimbursed for reasonable expenses paid or incurred on behalf of the Association.

Section 4.11. Voting Rights.

Each Director shall be entitled to one vote.

ARTICLE 5 – DUTIES OF DIRECTORS

Section 5.1. The President.

The President shall be the chief executive officer of the Association and shall have general supervision over the business and operations of the Association, subject to the control of the Board. The President shall serve as Chair of the Board and shall preside at all meetings of the Board and of the membership. The President shall appoint the chairs of all committees and shall be a member ex-officio of all committees. The President shall, with another officer and with the concurrence of the Board, enter into written contracts and obligations of the Association. The

President shall make reports to the Directors and members and shall perform all such other duties as are incumbent to his/her office, or authorized by the Board. In general, the President shall perform all duties incident to the office of President and such other duties as may be assigned by the Board.

Section 5.2. The Vice President.

In the absence or disability of the President or when so directed by the President, the Vice President may perform all the duties of the President, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall perform such other duties as may be assigned by the Board or the President.

Section 5.3. The Secretary.

The Secretary shall record all votes of the Board and the minutes of the meetings of the Board in a book or books to be kept for that purpose. The Secretary shall see that required notices of meetings of the Board are given and that all records and reports are properly kept and filed by the Association. The Secretary shall be the custodian of the seal of the Association and shall see that it is affixed to all documents to be executed on behalf of the Association under its seal. In general, the Secretary shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the Board or the President.

In the absence of the Secretary at any meeting, the President shall appoint a Secretary pro-tempore.

Section 5.4. The Treasurer.

The Treasurer shall have custody of all funds of the Association and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association. The Treasurer shall prepare the annual budget, the annual tax filings and the annual financial statements for the Association. The Treasurer shall deposit all moneys and other valuable effect in the name and to the credit of the Association in such depositories as shall be designated by the Board of Directors. In general, the Treasurer shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the Board or the President.

Section 5.5. General Directors.

Directors of the Board in non-Officer positions are expected to attend all Board Meetings as well as all General Membership meetings. These directors are also expected to work on committees aimed at promoting the Association's charitable purposes and will typically be called upon to chair at least one committee at the request of the President.

ARTICLE 6 - COMMITTEES

Section 6.1. Establishment and Powers.

The Board may, by resolution adopted by a majority of the Directors, establish one or more committees so long as each committee has at least one Director of the Association as a member. Any committee shall be limited in powers and authority to the extent provided in the resolution of the Board.

Section 6.2. Term.

The President shall appoint the chairs of all committees of the Board, and each chair will serve for a term of one year. After a term of one year, the chair may continue serving one year terms, subject to approval by the Board by majority vote. The chair of each committee shall, with the approval of the President, appoint members of the committee from members in good standing of the Association. The chair of each committee, with the approval of the President, may also remove members from a committee whenever in his/her judgment the best interests of the Association are not being served.

Section 6.3. Committee Organization.

Except as otherwise provided by the Board, each committee shall establish its own operating procedures. Each committee shall keep regular minutes of its proceedings and report the same to the Board at each regular meeting. Each committee shall determine its times and places of meetings. Section 7.5 (relating to quorum and action), Section 7.6 (relating to participation by teleconference), and Section 7.7 (relating to written consent) shall apply to committees of the Board.

Section 6.4. Dissolving a Committee.

The Board may, by resolution adopted by a majority of the Directors, dissolve a committee at any time.

ARTICLE 7 - MEETINGS

Section 7.1. Place of Meetings.

The Board may hold its meetings and the General Membership meetings at such places as the Board may appoint or as may be designated in the notice of the meeting.

Section 7.2. Annual Meeting of Board.

Unless the Board provides by resolution for a different time, the annual meeting of the Board shall be held in November each year.

Section 7.3. Regular Meetings of Board.

The Board may hold its regular meetings at such place and time as shall be designated by resolution of the Board. Generally, a regular meeting of the Board will occur in each month in which there is not already a meeting of the General Membership, unless a two-thirds majority of the Board votes to meet that month. The Board shall transact such business as may properly be brought before its meetings. Notice of regular meetings need not be given to all members with the exception of the Annual Meeting. Regular meetings shall be open to all members if attendance is desired.

Section 7.4. Special Meetings of the Board.

The President or any two Directors may call special meetings of the Board which shall be held at such time and place as shall be designated in the call for the meeting. Five (5) days' notice of any special meeting shall be given to each Director pursuant to Section 8.1 or by telephone. Such notice shall state the time and place of such special meeting but need not state the purpose of the special meeting unless called for in another part of these Bylaws. Special meetings of the Board shall be open to all members unless the Board shall decide otherwise.

Section 7.5. Quorum.

A majority of Directors then in office shall constitute a quorum for the transaction of business. The acts of a simple majority of the Directors present and voting at a meeting at which a quorum is present shall be the acts of the Board.

Section 7.6. Participation in Board Meetings.

One or more Directors may participate in a meeting of the Board or a committee thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at the meeting.

Section 7.7. Consent of Directors in Lieu of Meeting.

Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by all Directors and filed with the Secretary of the Association.

Section 7.8. Meetings of the General Membership.

All meetings of the membership shall be held at a location in the Belmont Village area. Notice of the place, date, and time of such meetings shall be sent to the members at least fourteen (14) days in advance. Generally, membership meetings are held three times per year with the September meeting of the General Membership serving as the nomination and election meeting for the Board.

ARTICLE 8 - NOTICE

Section 8.1. Written Notice.

Whenever written notice is required to be given to any person, it may be given to the person, either personally or by sending a copy by first class or express mail, postage prepaid, or by facsimile or electronic mail transmission, to his or her address (or facsimile number or electronic mail address) appearing on the books of the Association or, in the case of Directors, supplied by him or her to the Association for the purpose of notice. If the notice is sent by mail, it shall be deemed to have been given when deposited in the United States mail for delivery to that person. If the notice is sent by fax, it shall be deemed to have been given when receipt has been confirmed. If the notice is sent by email, it shall be deemed to have been given when the message transfers in an error-free manner to the sender's outbox. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by the Act. Except as otherwise provided by the Act or these Bylaws, when a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting, or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

Section 8.2. Waiver by Writing.

Whenever any written notice is required to be given, a waiver in writing, signed by the person or persons entitled to the notice, whether before or after the time stated, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of the meeting.

Section 8.3. Waiver by Attendance.

Attendance of a person at any meeting shall constitute a waiver of notice of the meeting except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

Section 8.4. Facsimile or Electronic Mail.

Any written communication or signature required or permitted by these Bylaws or the Act, including a unanimous written consent, shall be valid if sent and received by facsimile or electronic mail transmission.

ARTICLE 9 - CONFLICTS OF INTEREST

Section 9.1. Conflicts of Interest Policy.

The Association's conflicts of interest policy is set forth in this Article. The purpose of the conflicts of interest policy is to protect the Association's interest when it is contemplating entering into a contract or transaction that might benefit the private interest of a Director of the Association. This policy is intended to supplement the requirements of the Act. The conflicts of interest policy shall apply to all contracts or transactions between the Association and Directors.

Section 9.2. Definitions.

For purposes of this Article, the following terms shall have the meanings set forth below.

- (a) “Compensation” means direct and indirect remuneration and gifts or favors which are substantial in nature.
- (b) “Financial Interest” means, directly or indirectly, through business, investment, or family:
 - (1) An ownership or investment interest in any entity with which the Association has a contract or transaction;
 - (2) A Compensation arrangement with the Association or with any entity or individual with which the Association has a contract or transaction; or
 - (3) A potential ownership or investment interest, in, or Compensation arrangement with, any entity or individual with which the Association is negotiating a contract or transaction.

A Financial Interest is not necessarily a conflict of interest. A person who has a Financial Interest has a conflict of interest only if the Board decides that a conflict of interest exists.

Section 9.3. Disclosures.

If any Director of the Association has a Financial Interest in any proposed contract or other transaction involving the Association, the Director must disclose the Financial Interest to the Board authorizing the contract or transaction. The Board shall determine whether the Financial Interest constitutes a conflict of interest.

Section 9.4. Participation and Voting.

A Director who has a conflict of interest may answer questions of the Board when considering the contract or transaction that involves the conflict. However, after answering questions, the Director shall leave the meeting during the discussion of the merits of the contract or transaction and shall not vote on the contract or other transaction. The interested Director shall be counted in determining the presence of a quorum.

Section 9.5. Public Action.

Board members shall not take any public action in word or deed in their official capacity, or use their title or position in any manner, that is contrary to a position taken by the Board, unless the Board gives its prior approval.

Section 9.6. Elected Office.

No one holding city, state, or federal elected offices may be an Officer of the Association.

ARTICLE 10 – STANDARD OF CARE

Section 10.1. Standard of Care; Justifiable Reliance.

A Director shall stand in a fiduciary relation to the Association and shall perform his or her duties as a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner the Director reasonably believes to be in the best interests of the Association and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including, without limitation, financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) One or more officers or employees of the Association whom the Director reasonably believes to be reliable and competent in the matters presented;
- (b) Counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person; or
- (c) A committee of the Board upon which the Director does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if the Director has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

Section 10.2. Presumption.

Absent breach of fiduciary duty, lack of good faith, or self-dealing, actions taken by the Board, committees of the Board, or by individual Directors, or any failure to take any action, shall be presumed to be in the best interests of the Association.

Section 10.3. Notation of Dissent.

A Director who is present at a meeting of the Board, or of a committee of the Board, at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the Director files a written dissent to the action with the Secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the Secretary immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of the action. Nothing in this Section shall bar a Director from asserting that minutes of the meeting incorrectly omitted his or her dissent if, promptly upon receipt of a copy of the minutes, the Director notifies the Secretary, in writing, of the asserted omission or inaccuracy.

ARTICLE 11 - LIMITATION OF LIABILITY; INDEMNIFICATION

Section 11.1. Limitation of Liability of Directors.

A Director shall not be personally liable, as such, for monetary damages for any action taken or any failure to take any action as a Director unless:

- (a) The Director has breached or failed to perform the duties of his or her office under Subchapter B of Chapter 57 of the Act; and
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

This Section shall not apply to (1) the responsibility or liability of a Director pursuant to any criminal statute, or (2) the liability of a Director for the payment of taxes pursuant to federal, state, or local law.

It is the intention of this Section that the limitation on liability be the broadest permissible under applicable law, and any applicable law that provides for broader indemnity than is expressly stated herein is hereby incorporated by reference.

Section 11.2. Insurance.

The Association may purchase and maintain insurance on behalf of any person who is or was a Director of the Association against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against that liability under the Act. The Association's payment of premiums with respect to such insurance coverage shall be provided primarily for the benefit of the Association. To the extent that such insurance coverage provides a benefit to the insured person, the Association's payment of premiums with respect to such insurance shall be provided in exchange for the services rendered by the insured person and in a manner so as not to constitute an excess benefit transaction under section 4958 of the Code or an act of self-dealing under section 4941 of the Code, if applicable.

Section 11.3. Indemnification.

The Association shall indemnify any member who was or is a party or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association), by reason of the fact that he or she is or was a member of the Association against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action or proceeding. The individual shall have no right to indemnification, however, in relation to matters as to which he or she has been adjudged liable to the Association for gross negligence or willful misconduct in the performance of his or her duties.

The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to act which such member may be entitled.

ARTICLE 12 – BOOKS AND RECORDS

Section 12.1. Corporate Records.

The Association shall keep (1) correct and complete books and records of account, (2) appropriate minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, (3) a membership register listing names and addresses of all members, and a copy of the Bylaws, including all amendments and alterations.

Section 12.2. Right to Inspection.

Every member shall have a right to examine in person for any proper purpose, one reasonably related to the interest of such person as a member, and put into writing the membership register, books and records of account, and records of the proceedings of the members and directors. The records must be made available within seven (7) business days of the written request, if proper purpose is deemed. The books or records of membership shall also be produced at the annual meeting of the Board in October, upon request of a member in writing.

ARTICLE 13 – RATIFICATION AND AMENDMENTS

Section 13.1. Ratification.

The Bylaws herein set forth shall become effective immediately upon their adoption by a two-thirds majority vote of the Board of the Association and repeal all previously adopted bylaws, with the temporary exception of Article II specifically referencing officers' terms. Current officers from 2010 will serve until 2013, given they remain officers in good standing.

Section 13.2. Amendments.

The Bylaws of the Association may be amended by a two-thirds majority vote of the Board at any meeting after notice of such purpose has been given.

History:

Original Bylaws from 1978 are lost (or may never have been drafted). On February 20, 2002, new Bylaws were adopted and then revised on July 17, 2002. It is unclear from a review of Association records if either version of the 2002 Bylaws were formally ratified.

The by-laws contained within this document were adopted on July 27, 2011.