

BYLAWS OF COMMUNITY ASSOCIATIONS INSTITUTE

Revised August 2014

ARTICLE I NAME AND OFFICE

SECTION 1. Name.

The name of this organization shall be Community Associations Institute (“CAI”).

SECTION 2. Registered Office and Other Offices.

CAI shall maintain a registered office and shall have a registered agent within the District of Columbia as required by the laws of the District of Columbia, and CAI may maintain its principal office and other offices at such locations within or outside of the District of Columbia as the Board of Trustees may determine.

ARTICLE II PURPOSES, OBJECTIVES AND DEFINITION

SECTION 1. Purpose and Objectives.

CAI has been founded as a non-profit tax exempt membership association dedicated to advancing the success of community associations and those involved in or serving community associations as set forth in its Articles of Incorporation, including, without limitation, research, education and advocacy regarding community associations.

SECTION 2. Definitions.

The following capitalized term(s) shall have the meanings indicated:

- A. “Term Commencement Date” means January 1 or such other date established by resolution of the Board of Trustees for the commencement of service by members of the Association of Professional Community Managers Board, the Community Association Volunteers Committee, the Business Partners Council, the Board of Trustees and the officers of each of them. Where a term of office is two (2) years, the term of service will commence on the first Term Commencement Date following the member’s appointment or election and shall end on the last day before the third Term Commencement Date following their election or appointment, whether or not such term constitutes two (2) full years, less than two (2) full years or more than two (2) full years. The term of a member serving for one (1) year shall commence on the first Term Commencement Date following their election or appointment and shall end on the last day before the second Term Commencement Date following their election or appointment. Notwithstanding the aforementioned, the term of a member appointed to fill a vacancy shall end on the original term end date of the unexpired term being filled.
- B. All other capitalized terms shall have the definitions set forth in the body of these Bylaws.

ARTICLE III MEMBERSHIP IN CAI

SECTION 1. General Membership Provisions.

Membership in CAI shall be open to individuals, corporations, public agencies, associations, partnerships and other entities that subscribe to and support the purpose and objectives of CAI, are interested in CAI's activities and meet the requirements for one of the classes of members in CAI. Qualified persons and entities seeking membership will be accepted as a member of CAI upon submission, receipt, acceptance, and processing of the required application materials and dues. Membership shall automatically renew from year-to-year upon the payment of the annual dues and adherence to the conditions of membership contained in these Bylaws. Whenever the terms "Member" or "Members" are used in these Bylaws they shall, unless the context clearly indicates otherwise, refer to the individual members of CAI described in Section 3 of this Article, including CEOs of Management Companies and the individuals designated by Business Partners, as provided in Section 3C of this Article. The terms "member" or "members" when used in these Bylaws refers to individual members of the Board of Trustees, Membership Representation Groups, committees, Legislative Action Committees, membership classes, Chapter boards of trustees or Chapters, as the context may indicate.

SECTION 2. Conflict of Interest.

All Board of Trustees members, Legislative Action Committee members, members of Membership Representation Groups, Committee members, and Chapter board members shall comply with the conflict of interest policies adopted by the Board of Trustees.

SECTION 3. Classes of Members.

The membership of CAI shall consist of the following:

- A. Community Association Volunteers. All individuals residing in or owning a unit in a community association are eligible for membership as a Community Association Volunteer, including, without limitation, individuals living in community associations who have a volunteer role within their community association. Volunteer roles include, but are not limited to, being a member or officer of the governing body of the community association, participating on a volunteer committee or committees, acting as the newsletter editor for the community, or any other volunteer function sanctioned by the community association. An individual who meets the aforementioned criteria and also holds a membership as a Community Manager, Management Company CEO or Business Partner may hold an additional membership as a Community Association Volunteer, however, he may not serve in a CAI volunteer position under the Community Association Volunteer category. Community Association Volunteers will be considered as individual Members of CAI with voting rights. Community associations paying dues on behalf of a community association volunteer or volunteers shall own each such membership and shall be permitted to transfer each membership to another volunteer in the community association during the term of membership or upon renewal of the membership. Individuals paying dues with their personal funds shall be the only individual entitled to exercise the rights of membership and such membership shall not be transferable.

- B. Community Managers. This class of members shall consist of professional managers of all types of association-governed communities including, but not limited to, condominium associations, town home associations, co-operative associations, homeowner associations, large-scale communities, and planned communities. All managers of association-governed communities fall within this class of members, regardless of whether they are on-site managers, portfolio managers, large-scale managers, are employed by a management company or have any other employment relationship. Those persons who have previously served in one of the roles in the preceding sentence and serve in a capacity of managing other managers shall be a member of this class. All community managers shall be treated as individual Members of CAI with voting rights. A management company or employer of a manager paying dues on behalf of a manager or managers shall own each such membership and shall be permitted to transfer each membership to another manager during the membership term, but only in the event the manager originally identified is no longer employed by the management company. Individuals paying dues with their personal funds shall be the only individual entitled to exercise the rights of membership, and such membership shall not be transferable.
- C. Business Partners. This class of members shall consist of professionals and other providers of products, services, support, and counsel to association-governed communities, including developers of such communities. This class of members shall not include community association management companies or managers of association-governed communities. The company, partnership, corporation or other business entity shall designate an individual to exercise voting rights for the entity and may transfer this designation to another individual during the membership term or upon renewal of the membership. Employees of a business partner member will be permitted to attend classes, functions, conferences, to purchase products and services at membership prices, and be elected or appointed to committees, the Business Partners Council or the Board of Trustees.
- D. Management Companies. This class of members shall consist of community association management companies. Each management company membership shall include an individual manager membership to be held by the CEO or equivalent of the management company who shall exercise voting rights on behalf of the management company. Whenever the term “CEO of a Management Company” is used in these Bylaws, it shall mean the CEO or equivalent of a management company. Management companies shall not transfer this manager membership to multiple managers during the course of the membership term for the purpose of obtaining membership pricing for managers who do not hold an individual manager membership. Employees of the management company, who are not employed to manage association-governed communities, may attend selected Professional Management Development Program classes at the membership price.

SECTION 4. Membership Representation Groups.

The purpose of Membership Representation Groups is to represent and communicate with their class(es) of members to identify what is of value to them, to provide input to the Board of Trustees on policy matters, to appoint members to the Board of Trustees, to provide recommendations to the Nominating Committee for at-large positions on the Board of Trustees,

and to provide recommendations to staff on education curriculum, designations, best practices, and any other recommendations requested by staff.

“Membership Representation Group(s),” when used in these Bylaws, shall mean and refer to the governing bodies of the entities described in Paragraphs A, B and C of this Section 4.

The categories of Membership Representation Groups and their composition are as follows:

A. Association of Professional Community Managers Board. The Association of Professional Community Managers Board (“APCM Board”) shall consist of 12 members, all of whom must be community managers or the designated representatives of management company members (appearing on CAI’s membership records) of CAI who are elected by the members of the Association of Professional Community Managers using an Internet-based election, unless the CEO of CAI shall provide for an alternate means of election. Persons receiving the highest number of votes shall be elected; in the event of a tie for the last open position in any category, a run-off election will be held and the person(s) receiving the highest number of votes will be elected. In the event of a vacancy, the vacancy shall be filled by the person in the same category who received the next highest number of votes in the election. If that person is unable or unwilling to accept the position, the person who then has the next highest number of votes will fill the vacancy. If that person is unable or unwilling to accept the position, the process will continue in this manner through the list of candidates in the previously held election, in declining order of number of votes received, until the vacancy is filled. In the event that no candidate from the election is able or willing to fill the vacancy or there were no other candidates in the election in that category and the vacancy occurs during the first year of a two-year term and prior to the beginning of that year’s nomination and election process, the vacancy shall be filled during the regularly scheduled election. The person elected to fill the vacancy will begin serving on the APCM Board immediately at the conclusion of the election. If the vacancy occurs during the first year of a two-year term, but after the regularly scheduled nomination and election process has begun, or during the second year of a two-year term, but before the CAI annual conference is held, a special election shall be held to fill the vacancy. Any vacancy occurring in the second year of a two-year term after the CAI annual conference has been held shall remain vacant for the remainder of the term. No candidate may forward, by any media, personally or through any third party, any written material in support of their candidacy.

1. Composition. The APCM Board shall be composed as follows:
 - a. Four (4) Chief Executive Officers of Community Association Management Companies
 - b. Two (2) Large Scale Managers
 - c. Four (4) Managers that are not Chief Executive Officers of Community Association Management Companies or Large Scale Managers
 - d. Two (2) At-Large Positions

No more than two (2) individuals employed by the same company may serve on the APCM Board at the same time. Individuals from different companies that are subsidiaries or partners, or are structured as subordinate entities to another organization or entity, shall be

considered to be employed by the same company. This provision shall go into effect immediately, however, individuals already serving a term or elected to a term beginning January 1, 2012, shall be exempted from this provision for their current terms only.

2. Qualifications. To be eligible to nominate oneself for, and be elected to, a position on the APCM Board (“Board”), an individual must meet the following criteria:
 - a. Shall be an individual manager member of CAI or the designated Chief Executive Officer or equivalent of a management company holding a CAI membership;
 - b. Shall hold a PCAM designation or, in the case of a designated Chief Executive Officer or equivalent of a management company who does not hold a PCAM, his or her company shall hold an AAMC credential;
 - c. Shall commit to attend scheduled Board meetings, both in-person and via conference call, attend Policy Governance training and otherwise abide by the Board’s adopted attendance policy;
 - d. Shall not have been officially sanctioned or otherwise censured by CAI relative to a CAI designation held by the member during the 10-year period prior to nomination; and
 - e. Shall not have been convicted of a crime of the first or second degree, or a crime of a fiduciary nature of any degree while serving as an officer or member of an executive board or during the course of their employment.

Misrepresentation of qualifications or eligibility shall be grounds for immediate suspension by the Board of Trustees.

3. Terms. Members of the Board shall serve two (2) year terms with a maximum of six (6) years of service, cumulative, except that a member of the Board will be permitted to serve seven (7) years if that individual is completing the final year of an APCM Board appointed term on the Board of Trustees. An individual who has served more than one-half of a full term shall be deemed to have served a full term. In the event an individual serves less than a full year on the Board, it shall be considered one full year of service.
4. Officers.
 - a. The members of the Board shall elect a Chair-Elect who shall become the Chair of the Board following completion of the year of service as Chair-Elect. In the event an individual is unable to serve out a term as Chair-Elect or Chair of the Board, the Board shall elect a member of the Board to serve in that capacity for the remainder of that term.
 - b. Members of the Board who are eligible to be elected as Chair-Elect must meet each of the following qualifications:
 1. Have a term on the Board starting or continuing on the following Term Commencement Date;
 2. Are not the incoming Chair of the Board or President or President-Elect of the CAI Board of Trustees commencing the following Term Commencement Date; and
 3. On the Term Commencement Date of the Chair-Elect, the individual may not have previously served five (5) or more years on the CAI Board of Trustees or six

- (6) or more years on the Association of Professional Community Managers Board.
- c. Members of the Board who are eligible to nominate and elect a Chair-Elect include the current members of the Board and those who will be serving on the Board commencing on the following Term Commencement Date.
 - d. The current members of the Board may also elect other officers as they designate.
 - e. The Chair-Elect shall serve for one (1) year and immediately following the conclusion of that year of service, shall serve as Chair for one (1) year. In the event a member of the Board is elected to serve as Chair-Elect during the second year of a term on the Board, that individual will automatically be granted one (1) additional year to serve as Chair of the Board. This additional year of service will not affect any of the designated membership slots or terms on the Board and shall result in an additional slot on the Board being created for a period of one (1) year. Following the conclusion of this one (1) year of service as Chair, this additional slot on the Board shall terminate unless the Chair-Elect concluding the year of service as Chair-Elect has also concluded serving a two (2) year term on the Board.
 - f. The President of CAI may not concurrently serve as the Chair of the APCM Board.
5. Board of Trustees Appointments. The APCM Board shall appoint a member of the APCM Board to serve in each open slot reserved on the Board of Trustees for Managers as more specifically set forth in Article VI, Section 3 of these Bylaws. A member of the APCM Board who is appointed to serve in an open slot on the Board of Trustees reserved for the APCM Board shall be given an additional year of service on the APCM Board if that member is appointed to serve a two (2) year term on the Board of Trustees during the second year of a term on the APCM Board. This additional year of service will not affect any of the designated membership slots or terms on the APCM Board and shall result in an additional slot on the APCM Board being created for a period of one (1) year. Following the conclusion of this one (1) year of service, this additional slot on the APCM Board shall terminate. The APCM Board may also make recommendations to the Nominating Committee for individuals to serve in at-large slots on the Board of Trustees.
6. Annual Meeting. There shall be an annual meeting of the members of the Association of Professional Community Managers for the transaction of such business as may properly come before the membership. The annual meeting shall be held at a CAI National Conference each year. Written notice of the annual meeting stating the date, time, and place of such meeting shall be sent to each member by electronic means at the last email address shown on CAI's records, at least thirty (30) days before the date of the meeting. The APCM Board shall set the quorum requirements, voting procedures, and balloting procedures necessary to transact business by the membership.
7. APCM Board Meetings. The APCM Board shall hold a meeting at each CAI National Conference and may schedule other meetings, including tele-meetings, as may be necessary. The APCM Board shall set quorum requirements, voting procedures, and balloting procedures necessary to transact business by the APCM Board. It shall also set procedures for removal of members of the Board.

B. Community Association Volunteers Committee. The Community Association Volunteers Committee (“Committee”) shall consist of six (6) members, all of whom must be Community Association Volunteer Leader members of CAI who are elected by the members of CAI’s Center for Community Association Volunteers using an Internet-based election, unless the CEO of CAI shall provide for an alternate means of election. A person who is a Community Association Manager, CEO of a Management Company or a Business Partner may not serve on the Community Association Volunteers Committee. Persons receiving the highest number of votes shall be elected; in the event of a tie for the last open position, a run-off election will be held and the person(s) receiving the highest number of votes will be elected. In the event of a vacancy, the vacancy shall be filled by the person who received the next highest number of votes in the election. If that person is unable or unwilling to accept the position, the person who then has the next highest number of votes will fill the vacancy. If that person is unable or unwilling to accept the position, the process will continue in this manner through the list of candidates in the previously held election, in declining order of number of votes received, until the vacancy is filled. In the event that no candidate from the election is able or willing to fill the vacancy or there were no other candidates in the election and the vacancy occurs during the first year of a two-year term and prior to the beginning of that year’s nomination and election process, the vacancy shall be filled during the regularly scheduled election. The person elected to fill the vacancy will begin serving on the Community Association Volunteers Committee immediately at the conclusion of the election. If the vacancy occurs during the first year of a two-year term, but after the regularly scheduled nomination and election process has begun, or during the second year of a two-year term, but before the CAI annual conference is held, a special election shall be held to fill the vacancy. Any vacancy occurring in the second year of a two-year term after the CAI annual conference has been held shall remain vacant for the remainder of the term. No candidate may forward, by any media, personally or through any third party, any written material in support of their candidacy.

1. **Composition.** No more than two (2) individuals from the same community association may serve on the Committee at the same time. This provision shall go into effect immediately, however, individuals already serving a term or elected to a term beginning January 1, 2012, shall be exempted from this provision for their current terms only.
2. **Qualifications.** To be eligible to self-nominate for, and be elected to, a position on the Committee, an individual must meet the following criteria:
 - a. Shall be a community association volunteer leader or individual homeowner member of CAI and have maintained such membership for a minimum of two (2) years as of the next term commencement date;
 - b. Shall have served on a CAI chapter or national committee or board;
 - c. Shall have served on a community association board;
 - d. Shall commit to attend scheduled Committee meetings, both in-person and via conference call, attend Policy Governance training and otherwise abide by the Committee’s adopted attendance policy;
 - e. Shall not have been officially sanctioned or otherwise censured by CAI relative to a CAI designation held by the member; and

- f. Shall not have been convicted of a crime of the first or second degree, or a crime of a fiduciary nature of any degree while serving as an officer or member of an executive board.

Misrepresentation of qualifications or eligibility shall be grounds for immediate suspension by the Board of Trustees.

3. Terms. Members of the Committee shall serve two (2) year terms with a maximum of six (6) years of service, cumulative, except that a member of the Committee will be permitted to serve seven (7) years if that individual is completing the final year of a Community Association Volunteers Committee appointed term on the Board of Trustees. An individual who has served more than one-half of a full term shall be deemed to have served a full term. In the event an individual serves less than a full year on the Committee, it shall be considered one full year of service.
4. Officers.
 - a. The members of the Committee shall elect a Chair-Elect who shall become the Chair of the Committee following completion of the year of service as Chair-Elect. In the event an individual is unable to serve out a term as Chair-Elect or Chair of the Committee, the Committee shall elect a member of the Committee to act in that capacity for the remainder of that term.
 - b. Members of the Committee who are eligible to be elected as Chair-Elect must meet each of the following qualifications:
 1. Have a term on the Committee starting or continuing on the following Term Commencement Date;
 2. Are not the incoming Chair of the Committee or President or President-Elect of the Board of Trustees commencing the following Term Commencement Date; and
 3. On the Term Commencement Date of the Chair-Elect, he may not have previously served five (5) or more years on the Board of Trustees, or six (6) or more years on the Committee.
 - c. Members of the Committee who are eligible to nominate and elect a Chair-Elect include the current members of the Committee and those who will be serving on the Committee commencing on the following Term Commencement Date.
 - d. The current members of the Committee may also elect other officers as they designate.
 - e. The Chair-Elect shall serve for one (1) year and directly following the conclusion of that year of service shall serve as Chair for one (1) year. In the event a member of the Committee is elected to serve as Chair-Elect during the second year of a term on the Committee, that individual will automatically be granted one (1) additional year to serve as Chair of the Committee. This additional year of service will not affect any of the designated membership slots or terms on the Committee and shall result in an additional slot on the Committee being created for a period of one (1) year. Following the conclusion of this one (1) year of service as Chair, this additional slot on the Committee shall terminate unless the Chair-Elect concluding the year of service as Chair-Elect has also concluded serving a two (2) year term on the Committee.
 - f. The President of CAI may not concurrently serve as the Chair of the Community Association Volunteers Committee.

5. **Board of Trustees Appointments.** The Committee shall appoint a member of the Community Association Volunteers Committee to serve in each open slot reserved on the Board of Trustees for a Community Association Volunteer Leader as more specifically set forth in Article VI, Section 3 of these Bylaws. The Committee may also make recommendations to the Nominating Committee for individuals to serve in at-large slots on the Board of Trustees.
 6. **Annual Meeting.** There shall be an annual meeting of the members of CAI's Center for Community Association Volunteers for the transaction of such business as may properly come before the membership. The annual meeting shall be held at a CAI National Conference each year. Written notice of the annual meeting stating the date, time, and place of such meeting shall be sent to each member by electronic means at the last email address shown on CAI's records, at least thirty (30) days before the date of the meeting. The Committee shall set the quorum requirements, voting procedures, and balloting procedures to transact business by the membership.
 7. **Committee Meetings.** The Committee shall hold a meeting at each CAI National Conference and may schedule other meetings, including tele-meetings, as may be necessary. The Committee shall set quorum requirements, voting procedures, and balloting procedures to transact business by the Committee. It shall also set procedures for removal of members of the Committee.
- C. **Business Partners Council.** The Business Partners Council ("Council") shall consist of 12 members, elected by the class of members known as the "Business Partners" using an Internet-based election, unless the CEO of CAI shall provide for an alternate means of election. Persons receiving the highest number of votes shall be elected; in the event of a tie for the last open position in any category, a run-off election will be held and the person(s) receiving the highest number of votes will be elected. In the event of a vacancy, the vacancy shall be filled by the person in the same category who received the next highest number of votes in the election. If that person is unable or unwilling to accept the position, the person who then has the next highest number of votes will fill the vacancy. If that person is unable or unwilling to accept the position, the process will continue in this manner through the list of candidates in the previously held election, in declining order of number of votes received, until the vacancy is filled. In the event that no candidate from the election is able or willing to fill the vacancy or there were no other candidates in the election in that category and the vacancy occurs during the first year of a two-year term and prior to the beginning of that year's nomination and election process, the vacancy shall be filled during the regularly scheduled election. The person elected to fill the vacancy will begin serving on the Business Partners Council immediately at the conclusion of the election. If the vacancy occurs during the first year of a two-year term, but after the regularly scheduled nomination and election process has begun, or during the second year of a two-year term, but before the CAI annual conference is held, a special election shall be held to fill the vacancy. Any vacancy occurring in the second year of a two-year term after the CAI annual conference has been held shall remain vacant for the remainder of the term. No candidate may forward, by any media, personally or through any third party, any written material in support of their candidacy.

1. Composition. The Council shall be composed of members from the following categories of the class of members known as “Business Partners”:
 - a. One (1) Attorney
 - b. One (1) Accountant
 - c. One (1) Banker
 - d. One (1) Insurance Professional
 - e. One (1) Reserve Specialist
 - f. One (1) Member whose primary profession is technology related
 - g. Six (6) At-Large Members

No single category of this class of members shall fill more than fifty percent (50%) of the seats on the Council.

No more than two (2) individuals employed by the same company may serve on the Council at the same time. Individuals from different companies that are subsidiaries or partners, or are structured as subordinate entities to another organization or entity, shall be considered to be employed by the same company. This provision shall go into effect immediately, however, individuals already serving a term or elected to a term beginning January 1, 2012, shall be exempted from this provision for their current terms only.

2. Qualifications. To be eligible to self-nominate for, and be elected to, a position on the Council, an individual must meet the following criteria:
 - a. Shall be a business partner member or an employee of a business partner member of CAI and have maintained such membership for a minimum of five years as of the next term commencement date;
 - b. Shall have served on a CAI local or national committee or board, or otherwise been involved on a local or national level, said involvement being more than attendance at local or national events or trade shows;
 - c. Shall commit to attend scheduled Council meetings, both in-person and via conference call, attend Policy Governance training and otherwise abide by the Council’s adopted attendance policy;
 - d. Shall not have been officially sanctioned or otherwise censured by CAI relative to a CAI designation held by the member; and
 - e. Shall not have been convicted of a crime of the first or second degree, or a crime of a fiduciary nature of any degree while serving as an officer or member of an executive board or during the course of their employment.

Misrepresentation of qualifications or eligibility shall be grounds for immediate suspension by the Board of Trustees.

3. Terms. Members of the Council shall serve two (2) year terms with a maximum of six (6) years of service, except that a member of the Council will be permitted to serve seven (7) years if that individual is completing the final year of a term on the Board of Trustees. An individual who has served more than one-half of a full term shall be deemed to have

served a full term. In the event an individual serves less than a full year on the Board, it shall be considered one full year of service.

4. Officers.

- a. The members of the Council shall elect a Chair-Elect who shall become the Chair of the Council following completion of the year of service as Chair-Elect. In the event an individual is unable to serve out a term as Chair-Elect or Chair of the Council, the Council shall elect a member of the Council to serve in that capacity for the remainder of that term.
- b. Members of the Council who are eligible to be elected as Chair-Elect must meet each of the following qualifications:
 1. Have a term on the Council starting or continuing on the following Term Commencement Date;
 2. Are not the incoming Chair of the Council or President or President-Elect of the CAI Board of Trustees commencing the following Term Commencement Date; and
 3. On the Term Commencement Date of the Chair-Elect, he may not have previously served five (5) or more years on the CAI Board of Trustees, or six (6) or more years on the Council.
- c. Members of the Council who are eligible to nominate and elect a Chair-Elect include the current members of the Council and those who will be serving on the Council commencing on the following Term Commencement Date.
- d. The current members of the Council may also elect other officers as they designate.
- e. The Chair-Elect shall serve for one (1) year and directly following the conclusion of that year of service shall serve as Chair for one (1) year. In the event a member of the Council is elected to serve as Chair-Elect during the second year of a term on the Council, that individual will automatically be granted one (1) additional year to serve as Chair of the Council. This additional year of service will not affect any of the designated membership slots or terms on the Council and shall result in an additional slot on the Council being created for a period of one (1) year. Following the conclusion of this one (1) year of service as Chair, this additional slot on the Council shall terminate unless the Chair-Elect concluding the year of service as Chair-Elect has also concluded serving a two (2) year term on the Council.
- f. The President of CAI may not concurrently serve as the Chair of the Council.

5. Board of Trustees Appointments. The Council shall appoint a member of the Business Partners Council to serve in each open slot reserved on the Board of Trustees for Business Partners as more specifically set forth in Article VI, Section 3 of these Bylaws. The Council may also make recommendations to the Nominating Committee for individuals to serve in at-large slots on the Board of Trustees.

6. Annual Meeting. There shall be an annual meeting of the class of members known as "Business Partners" for the transaction of such business as may properly come before the membership. The annual meeting shall be held at a CAI National Conference each year. Written notice of the annual meeting stating the date, time, and place of such meeting shall be sent to each member by electronic means at the last email address shown on

CAI's records, at least thirty (30) days before the date of the meeting. The Council shall set quorum requirements, voting procedures, and balloting procedures to transact business by the membership.

7. Council Meetings. The Council shall hold a meeting at each CAI National Conference and may schedule other meetings, including tele-meetings, as may be necessary. The Council shall set quorum requirements, voting procedures, and balloting procedures necessary to transact business by the Council. It shall also set procedures for removal of members of the Council.

SECTION 5. Selection and Succession Process.

Each Membership Representation Group shall be comprised of members who fall within the membership class represented by the Membership Representation Group and elected annually by the CAI members who fall within the membership class represented by the Membership Representation Group as more fully detailed in Article III; Section 4; Paragraphs A, B and C of these Bylaws. Members of each Membership Representation Group shall have staggered terms so that the terms of approximately half of the members expire each year. If an individual who has served on a Membership Representation Group changes the type of membership held, thus making him or her ineligible to serve on that Membership Representation Group, he or she would nonetheless still be eligible to serve on the Membership Representation Group that aligns with his or her new membership so long as he or she is otherwise eligible. However, no individual may serve more than six (6) years cumulative on any combination of Membership Representation Groups, except as otherwise provided for in Article III; Section 4; Paragraphs A3, B3 and C3 of these Bylaws.

SECTION 6. Rights and Privileges.

Except as otherwise provided in these Bylaws, each Member of CAI, as set forth in Article III; Section 3, shall be entitled to cast one (1) vote on all matters required to be voted upon by Members and shall have such other rights, privileges and responsibilities as the Board of Trustees may establish, regardless of membership class. Each Member shall be entitled to cast one (1) vote per membership category held by the Member in the election of the corresponding Membership Representation Groups, not to exceed one (1) vote per ballot. Except as otherwise provided in these Bylaws, each Member shall be eligible to serve on CAI councils, committees and boards, including the Board of Trustees and Membership Representation Groups. Privileges are defined as those tangible and intangible benefits, products, and services offered with membership in CAI.

SECTION 7. Honorary Memberships and Courtesy Memberships.

- A. The Board of Trustees may confer honorary membership in CAI upon individuals or entities in recognition of distinguished service to CAI. Honorary members shall not be charged membership dues. Honorary members shall have the same voting and other rights as other members who fall within their class of membership. Honorary members will be required to pay other costs associated with purchasing products or services that other Members are required to pay, including, but not limited to, the costs associated with attending educational programming and conferences.

- B. The Board of Trustees may confer courtesy membership in CAI upon individuals or entities with whom CAI has a relationship. Courtesy membership holders shall not be charged membership dues, shall have no voting rights and shall not be eligible to serve as a Trustee or Officer of CAI. Courtesy membership holders will be required to pay other costs associated with purchasing products or services that other Members are required to pay, including, but not limited to, the costs associated with attending educational programming and conferences.

SECTION 8. Student Memberships.

Student membership status shall be conferred to individuals who are engaged in full-time study at an accredited college or university. The application must be accompanied by a certification of student status by the applicant. Student membership is intended for individuals who plan to begin working in a community association related field upon graduation. Students who plan to enter the field of community association management shall fall under the class of Managers; however, a student member may not be currently employed as a community association manager. All other students shall fall under the class of Business Partners. Student membership holders may participate in CAI activities, except that they shall have no voting rights, may not serve as committee members and shall not be eligible to serve as a Trustee or Officer of CAI. Student members shall be charged annual membership dues and will be required to pay other costs associated with purchasing products or services that other Members are required to pay, including, but not limited to, the costs associated with attending educational programming and conferences. Student membership shall terminate upon termination of academic enrollment.

SECTION 9. Memberships Outside of the United States.

Members outside of the United States shall, in general, have the same membership rights, responsibilities and privileges as other members as set forth in Article III or elsewhere specified in these Bylaws. Membership rights, responsibilities and privileges of these members may vary taking into consideration differences in language, business practices, culture and/or other relevant factors when determining the membership structure of a chapter outside of the United States, as may be approved from time to time by the Board of Trustees. Chapters outside of the United States are further defined in Article X, Section 6, of these Bylaws.

SECTION 10. Termination for Nonpayment of Dues.

The membership of an individual or company shall automatically be terminated if dues are not paid in accordance with these Bylaws, and such rules and procedures as the Board of Trustees may establish. Any Member whose membership is terminated for nonpayment of dues who desires a continuous membership record may be reinstated with such record at any time upon payment in full of all past dues and current dues. Any Member whose membership is terminated for nonpayment of dues who does not desire a continuous membership record may be reinstated without such record at any time upon payment in full of current dues.

SECTION 11. Censure, Suspension, Expulsion, and Termination of Membership.

The Board of Trustees may, by a two-thirds (2/3) vote of those present and voting at a duly convened meeting, censure, suspend, expel, or terminate, irrevocably or otherwise, the membership of any Member for cause. Sufficient cause for such action shall include, without limitation, violation of these Bylaws or of any rule, practice or procedure duly adopted by the Board of Trustees as recorded in the Minutes of the meeting of the Board of Trustees where the

rule, policy, or procedure was adopted and other conduct prejudicial or disruptive to the interests of CAI. The Board of Trustees shall provide the Member in question written notice and an opportunity to be heard, either in person or in writing, before any such action is taken.

ARTICLE IV ANNUAL DUES

SECTION 1. General.

The Board of Trustees shall determine the amount of annual dues, fees, and other assessments to be paid by each class of Members. Unless otherwise directed by the Board of Trustees, all such dues, fees, and other assessments shall be due and payable in advance of each year of membership to which they relate. The Board of Trustees shall have the authority to develop, establish, and enforce policies to determine, amend, modify, and, in special circumstances, reduce or waive fees, dues, and assessments for special and particular reasons, including, but not limited to, financial hardship and other appropriate considerations.

ARTICLE V MEETINGS OF MEMBERS

SECTION 1. Annual Meeting.

There shall be an annual meeting of the Members of CAI for the transaction of such business as may properly come before the meeting or any adjournment thereof. The annual meeting shall be held at such time and place as the Board of Trustees may determine. Notice of the annual meeting stating the date, time, and place of such meeting shall be given to each Member at least thirty (30) days before the date of the meeting in accordance with Article V, Section 3.

SECTION 2. Special Meetings.

Special meetings of the Members of CAI may be called by the Board of Trustees or otherwise in accordance with applicable law. A special meeting shall be held at such time and place as the Board of Trustees may determine. Notice of any special meeting stating the date, time, place, and purpose of such meeting shall be sent to each Member at least fifteen (15) days before the date of the meeting in accordance with Article V, Section 3. No business other than that specified in the notice shall be transacted at a special meeting.

SECTION 3. Notices.

Unless otherwise prohibited in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered via:

- A. Personal delivery to the addressee; or
- B. United States mail; first class, postage prepaid; or
- C. Any means permitted by law.

SECTION 4. Quorum.

Ten (10) Members of CAI present in person or by proxy shall constitute a quorum for the transaction of business at any duly called meeting of the Members. At any duly called meeting of the Members at which a quorum is present, the act of a majority of the Members present in person or by proxy shall be the act of the Members on any matter, except where the act of a greater number of Members is required by law, the Articles of Incorporation, or these Bylaws. If a quorum is not present at any duly called meeting of the Members, a majority of the Members present may adjourn the meeting without further notice, until a quorum is present.

SECTION 5. Voting and Proxies.

Voting on all matters may be conducted by mail, telephone call, telegram, cablegram, electronic mail, or any other means of electronic or telephonic transmission; provided, that the Member shall state, or submit information from which it can be determined, that the method of voting chosen was authorized by the Member. A Member entitled to vote may authorize, in writing, another person to act for such Member by proxy solely for the purpose of achieving a quorum. The writing may be executed by the Member or the Member's authorized officer, director, employee, or agent signing the writing, or causing the person's signature to be affixed to the writing, by any reasonable means, including a facsimile signature. No proxy shall be valid after 11 months, unless otherwise provided in the proxy.

SECTION 6. Voting Procedures.

All votes of the CAI membership taken at the Annual Membership Meeting will be conducted by appropriate ballot. Each voting Member is entitled to one (1) vote per question or resolution only. Unless otherwise required by the Articles of Incorporation, these Bylaws, or applicable law, all actions of the membership permitted pursuant to these Bylaws shall be carried by a majority vote of those Members present.

ARTICLE VI BOARD OF TRUSTEES

SECTION 1. Powers of the Board of Trustees.

The Board of Trustees shall:

- A. Function as the policy-making body of the corporation.
- B. Establish appropriate committees of the Board of Trustees in addition to those provided in these Bylaws.
- C. Create and maintain a CAI Governance Manual which shall include all major policies and procedures, Ends, Executive Limitations, Governance Process and Board-CEO Relationships, structure of intermediate advisory bodies and related committees and charges, Board of Trustees committee structure and charges, and such other content as it deems pertinent to the operations of the corporation.

- D. Ensure that the policies of the corporation as set forth in the Articles of Incorporation, Bylaws, and Governance Manual are executed, and the decisions of the corporation at its annual and special meetings are carried out.
- E. Ensure that the business of the corporation is carried out in accordance with the policies created by the Board of Trustees and within the parameters of the Executive Limitations.
- F. Delegate such powers or duties of the Board as it is legally entitled to delegate to the Chief Executive Officer, staff, a committee or task force, or any other party as the Board, in its sole discretion, deems appropriate; provided, however, that no such delegation shall be irrevocable.
- G. Adopt rules concerning election of members to the Membership Representation Groups, and officers of the Board of Trustees, and appointment by the Nominating Committee of “at-large” members that are not inconsistent with the terms of these Bylaws.

SECTION 2. Eligibility for Nomination or Appointment.

Except as otherwise provided in these Bylaws, and subject to the terms of Article III, Section 3, each Member in good standing shall be eligible for nomination or appointment to serve as a Trustee of CAI.

SECTION 3. Composition and Term of the Board of Trustees.

A. Number. The Board of Trustees shall be composed of 15 members.

B. Composition. The Board of Trustees shall be composed as follows:

- Two (2) Community Association Volunteer Leaders
- Two (2) Business Partners
- Four (4) Managers
- Four (4) At-Large
- President
- President-Elect
- Immediate Past President

No more than seven (7) members of the Board of Trustees, excluding the Immediate Past President, shall be from any one (1) class of membership.

No more than three (3) individuals employed by the same company or from the same community association may serve on the Board of Trustees at the same time. Individuals from different companies that are subsidiaries or partners, or are structured as subordinate entities to another organization or entity, shall be considered to be employed by the same company. This provision shall go into effect immediately, however, individuals already serving a term or appointed to a term beginning January 1, 2012, shall be exempted from this provision for their current terms only.

Each Trustee shall take office on the Term Commencement Date following such Trustee's appointment and shall serve for a term of two (2) years or until his/her successor has been appointed. Board of Trustee terms shall be staggered so that the terms of not more than one-half of the Trustees expire each year. Except in the case of a person who serves as President-Elect or President in the sixth year on the Board of Trustees, no individual shall serve more than six (6) years (whether consecutively or not) as a Trustee. No individual may be nominated to serve as a Trustee if service by such individual as a Trustee for a two (2) year term would violate the limitation in the immediately preceding sentence.

SECTION 4. Nomination and Appointment

Members of the Board of Trustees shall be appointed not later than 60 days prior to the following Term Commencement Date then in effect as follows:

- A. The Community Association Volunteers Committee shall, each year not later than 60 days prior to the following Term Commencement Date then in effect, elect a Chair-Elect of the Committee. The Chair-Elect shall serve a two (2) year term on the Board of Trustees, commencing on the following Term Commencement Date.
- B. The Business Partners Council shall, each year not later than 60 days prior to the following Term Commencement Date then in effect, elect a Chair-Elect of the Council. The Chair-Elect shall serve a two (2) year term on the Board of Trustees, commencing on the following Term Commencement Date.
- C. The Association of Professional Community Managers Board shall, each year not later than 60 days prior to the following Term Commencement Date then in effect, elect a Chair-Elect and one (1) additional APCM Board representative. Each person so elected shall serve a two (2) year term on the Board of Trustees, commencing on the following Term Commencement Date.
- D. The Nominating Committee shall appoint the "at-large" members of the Board of Trustees. Terms of the at-large members shall be staggered so that the Nominating Committee fills two (2) positions each year. The Nominating Committee shall solicit candidates for the "at-large" positions by communicating with the Membership Representation Groups, Board of Trustees, and the membership in such manner and with such frequency as the Nominating Committee deems appropriate. The Nominating Committee shall advise the Board of Trustees of the candidates appointed by the Nominating Committee to fill the open "at-large" positions on the Board of Trustees by a date not more than thirty (30) days after all Membership Representation Groups elections have concluded and each Membership Representation Group has selected its Chair-Elect effective on the following Term Commencement Date, as set forth in subparagraphs A, B and C of this Section 4.

SECTION 5. Meetings.

The Board of Trustees shall hold a minimum of one (1) meeting annually at such time and place as the Board of Trustees may determine. In addition, special meetings of the Board of Trustees may be called by the President or upon the written request of one-third (1/3) of the Trustees or upon the written request of the Chief Executive Officer, at such time and place as the President,

or President-Elect, as the case may be, may designate. Any or all Trustees may participate in duly called meetings of the Board of Trustees by means of conference telephone or by any means of communication by which all persons participating in the meeting are able to hear one another, and such participation shall constitute presence in person at a meeting. Notice of meetings of the Board of Trustees may be given orally or in writing and shall be given to each member of the Board of Trustees at least 72 hours before the time appointed for the meeting, except in an emergency or at a National Conference, when notice should be given at least twenty-four (24) hours, where practicable, before the time appointed for the meeting. Such notice may be waived in accordance with applicable law. All Board meetings held in person shall be open to all CAI members, but CAI members other than Trustees may not participate in any discussion or deliberation unless expressly authorized by the Board of Trustees. Notwithstanding the above, the Board of Trustees may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which CAI is or may become involved, contract negotiations, matters that, in the exercise of the Board's reasonable discretion, require personal privacy, or other matters that require confidentiality. The nature of any and all business to be considered in executive session shall first be announced in open session.

SECTION 6. Waiver of Notice.

Whenever notice is required to be given to any Trustee under these Bylaws, a written waiver thereof, signed by the Trustee or Trustees entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. Presence without objection also waives notice.

SECTION 7. Action by Written Consent in Lieu of a Meeting.

Any action required or permitted to be taken at a meeting of the Board of Trustees or of any committee thereof, may be taken without a meeting if a written consent setting forth the action so taken shall be signed by all of the members of the Board of Trustees and such written consent shall have the same force and effect as a vote at a meeting of the Board of Trustees. All such action shall be reported at the next duly called meeting of the Board of Trustees.

SECTION 8. Quorum; Acts of the Board of Trustees.

Eight (8) Trustees shall constitute a quorum for the transaction of business at any duly called meeting of the Board of Trustees. Once a quorum is established at any duly called meeting of the Board of Trustees, the Trustees may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. Except with respect to public policy issues relating to regulatory or legislative matters or where the act of a greater number of Trustees is required by law, the Articles of Incorporation, or these Bylaws, all actions of the Board of Trustees shall require the affirmative vote of five (5) Trustees or a majority of those Trustees voting, whichever is greater. Matters affecting public policy issues relating to regulatory or legislative matters shall require the affirmative vote of eight (8) Trustees or two-thirds (2/3) of those Trustees voting, whichever is greater. Abstentions shall not constitute a vote on any action. If a quorum is not present at any duly called meeting of the Board of Trustees, a majority of the Trustees present may adjourn the meeting, without further notice, until a quorum is present.

SECTION 9. Resignation or Removal.

Any Trustee may resign by presenting a written resignation to the President, and such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance thereof by the President. Any Trustee unable to attend a duly called meeting of the Board of Trustees shall advise the President or CEO of CAI as to the reason for his/her absence. In the event a Trustee has three (3) consecutive absences from duly called meetings of the Board of Trustees without the Board of Trustees excusing such absences, such elected Trustee shall be deemed to have resigned as a Trustee, provided, however, that the Board of Trustees, in its discretion, may waive this provision. A Trustee may be removed from the Board of Trustees, with or without cause, by a two-thirds (2/3) affirmative vote of the entire Board of Trustees; provided, however, that such Trustee shall be afforded an opportunity to be heard, either in person or in writing, prior to any such action.

SECTION 10. Vacancies.

Any vacancy occurring on the Board of Trustees for other than an at-large position, shall be filled by the Membership Representation Group that represents the membership class of the vacant position. Any at-large position that becomes vacant may be filled by the affirmative vote of a majority of the then members of the Board of Trustees, including if the remaining Trustees constitute fewer members than required to achieve a quorum. Any Trustee elected to fill a vacancy shall serve the remainder of the unexpired term of his/her predecessor in office. Vacancies shall be filled promptly, but in no event more than sixty (60) days after the vacancy occurs. In the event that the Membership Representation Group that represents the membership class of the vacant position does not fill the vacancy within this timeframe, the vacancy shall be filled by the Board of Trustees.

SECTION 11. Reimbursement of Expenses.

No Trustee shall be compensated for serving as a Trustee; provided, however, that the Board of Trustees may reimburse each Trustee for his/her reasonable out-of-pocket expenses incurred in attending meetings of the Board of Trustees as budgeted and authorized by the Board of Trustees or the CEO of CAI.

SECTION 12. Disputes.

All disputes or questions regarding the appointment of Trustees shall be resolved at the sole discretion of the Board of Trustees.

ARTICLE VII OFFICERS

SECTION 1. Officers.

The Officers of CAI shall be a President, a President-Elect, Secretary and Treasurer. The Board of Trustees may appoint other officers of CAI as the Board of Trustees may deem necessary or advisable.

SECTION 2. Qualifications, Election and Term of Office.

No more than two (2) individuals from the same member class may concurrently serve as Officers. No past President or past Chair of CAI may serve as an Officer. All Officers must have

served for at least one (1) year as a Trustee prior to taking office as an Officer. Unless otherwise provided with regard to the offices of Secretary and Treasurer, the Officers of CAI, with the exception of the President, shall be elected each year by the Board of Trustees by a majority vote. The President-Elect shall serve for one (1) year and directly following the conclusion of that year of service shall serve as President for one (1) year. Each Officer shall serve for a term of one (1) year or until his/her successor has taken office. Unless otherwise determined by the Board of Trustees, the CEO of CAI shall appoint, and may remove, staff members to serve as Secretary and as Treasurer. Once elected, Officers shall take office on the following Term Commencement Date, currently the first day of January.

SECTION 3. Nomination and Election of President-Elect.

At such time and place as the Board of Trustees shall determine, the Board of Trustees shall elect the President-Elect of the Board of Trustees to begin service as President-Elect on the following Term Commencement Date. Prior to the election being held, interested members of the Board of Trustees shall nominate themselves to run for the position of President-Elect in such a manner and method as prescribed by the Board of Trustees. It is the intention of this paragraph that the Board of Trustees elects the President-Elect before the Membership Representation Groups elect their respective chairs-elect, members nominate themselves for “at-large” positions on the Board of Trustees and the Nominating Committee appoints the “at-large” members of the Board of Trustees. Should more than one (1) member of the Board of Trustees nominate themselves for the position of President-Elect, an election shall be conducted by secret written ballot, either in person, via fax or via e-mail. No Trustee may abstain from voting in the election of the President-Elect. To be elected, a person must receive the vote of five (5) Trustees or a majority of the votes cast, whichever is greater. No candidate for the position of President-Elect may campaign for election as President-Elect or cause another individual or individuals to campaign on behalf of the candidate. A candidate campaigning for election who is elected shall be disqualified from serving as President-Elect.

SECTION 4. Removal.

Any Officer may be removed by a two-thirds (2/3) affirmative vote of the entire Board of Trustees if, in the judgment of the Board of Trustees, the best interest of CAI would be served by such removal; provided, however, that such Officer shall be afforded an opportunity to be heard, either in person or in writing, prior to such action.

SECTION 5. Vacancies.

Vacancies in any Office, with the exception of President, may be filled for the balance of the unexpired term by the Board of Trustees at any meeting of the Board of Trustees in accordance with such rules and procedures as may be established by the Board of Trustees. In the event of a vacancy in the office of President, the President-Elect shall act as President for the remainder of the unexpired term of office of his/her predecessor in such office and shall succeed to such office upon the expiration of such term. In the event the President-Elect cannot or will not agree to serve the unexpired term of his/her predecessor in office, the Board of Trustees shall elect from its members a person to serve as President for the unexpired term.

SECTION 6. President.

The President shall be the chief elected officer of CAI, shall be an ex-officio member of all committees of the Board of Trustees, and shall preside at all meetings of the Members and the Board of Trustees. The President shall also be an ex-officio member of the Board of Directors of the Foundation for Community Association Research. Unless otherwise provided in these Bylaws or directed by the Board of Trustees, the President, subject to the approval of the Board of Trustees, shall appoint all committees of the Board of Trustees. The President shall have the authority to represent CAI and act in its name in accordance with declared policies of CAI. The President shall communicate to the members of CAI and to the Board of Trustees such matters and make such suggestions as may tend to promote and further the purpose and Ends of CAI, and the President shall perform such other duties as are necessary or incident to the office of President or as may be assigned by the Board of Trustees, or required by law. The President shall be responsible for satisfying the directives of the Board of Trustees.

SECTION 7. President-Elect.

The President-Elect shall perform the duties of the President in his/her absence or in the event of his/her resignation, removal or inability or refusal to act. The President-Elect, when so acting, shall have all the power and responsibility of the position of President. The President-Elect shall also perform such other duties as may be assigned to him/her by the President or the Board of Trustees or required by law.

SECTION 8. Secretary.

The duties and authority of the Secretary shall include, but not be limited to accountability for the accuracy of Board documents such as minutes of all meetings and all notices given in accordance with these Bylaws.

SECTION 9. Treasurer.

The duties and authority of the Treasurer shall include, but not be limited to:

- A. Presenting to the membership at the annual meeting a report of the financial condition for the preceding year.
- B. Submitting to the Board of Trustees, for its approval, an annual budget.
- C. Submitting to the Board of Trustees, at its regular meetings and at such other times as requested by the Board, a statement showing the relation of income and expenditures to the budget for the fiscal year.

SECTION 10. Salaries; Reimbursement of Expenses.

No Officer of CAI shall be compensated for serving as an Officer. Officers may be reimbursed for reasonable out-of-pocket expenses incurred by them in performing their duties as Officers of CAI as budgeted and authorized by the Board of Trustees or the CEO of CAI.

SECTION 11. Disputes.

All disputes or questions regarding the election of Officers shall be resolved at the sole discretion of the Board of Trustees.

**ARTICLE VIII
CHIEF EXECUTIVE OFFICER**

SECTION 1. Appointment.

The Board of Trustees shall appoint and engage a qualified individual to serve in the position of Chief Executive Officer (CEO). The CEO shall report to the Board of Trustees as a whole and shall be responsible and accountable for the supervision, control, and management of CAI in its administrative, business, financial, and other affairs. The CEO shall also be responsible for implementing the policies of the Board of Trustees, without exceeding the Executive Limitations as set forth in the CAI Governance Manual.

SECTION 2. Authority and Duties of the Chief Executive Officer.

Subject to such limitations as may be adopted by the Board of Trustees, the Chief Executive Officer shall have the authority and duty, regarding both members and staff, to implement all policies of CAI in a lawful manner and in accordance with generally accepted business and financial principles, and ethical standards, and the responsibility to report to the Board of Trustees concerning these affairs. Among other authority, the Chief Executive Officer shall, subject to such limitations as may be adopted by the Board of Trustees, have the authority to: hire and dismiss employees and other personnel of CAI including consultants, contractors and the like; establish all terms and duties of employment and hiring; develop annual operating programs, products, services, and budgets; and, legally bind CAI and sign on its behalf contracts, checks, drafts, notes, mortgages, leases, and other legal documents, without limitation by reason of specification. The CEO shall attend and participate in all meetings of the Board of Trustees, except during closed executive sessions when it is so determined by the Board of Trustees. The Chief Executive Officer shall perform such other duties as may be elsewhere specified in these Bylaws or as may be designated by the Board of Trustees.

**ARTICLE IX
COMMITTEES**

SECTION 1. Committees Classified

There shall be three (3) classes of committees:

- A. Standing Committees
 - 1. Nominating
 - 2. Government and Public Affairs
 - 3. Audit
- B. Special Committees
- C. Legislative Action Committees

SECTION 2. Nominating Committee.

- A. The Nominating Committee shall consist of eight (8) members. Each member of the Nominating Committee, other than the President-Elect, shall have a term of two (2) years. The President-Elect shall serve a term of one (1) year.

- B. The Association of Professional Community Managers Board, the Business Partners Council and the Community Association Volunteers Committee shall, each appoint, every other year, one (1) person who is not a member of the Board of Trustees to the Nominating Committee from among their respective memberships not later than the date of the Board of Trustees meeting occurring at the spring conference or such other date as the Board of Trustees advises the Membership Representation Groups of, in writing, at least 30 days in advance. The Board of Trustees shall appoint five (5) members to the Nominating Committee, one of whom shall be the President-Elect. All appointees, other than the President-Elect, shall have a term of two (2) years. The appointments by the Board shall be made not later than May 31 of each year. The Board of Trustees shall appoint the remaining four (4) members of the Committee (in addition to the President-Elect) so that: (i) the fully appointed committee shall consist of not more than three (3) persons from any one (1) membership class; and (ii) not more than two (2) Trustees (including the President-Elect). In the event that a member of the Nominating Committee becomes a member of the Board of Trustees during his/her term, the remainder of his/her term is automatically forfeited. If a vacancy occurs on the Nominating Committee, the vacancy shall be filled in a manner consistent with the terms of Article VI, Section 10; provided, however, that if a Membership Representation Group fails to make an appointment within 15 days of its chair's receipt of a written request to fill the vacancy, the Board of Trustees shall fill the vacancy.
- C. A member of the Nominating Committee may serve a maximum of two (2) consecutive terms, after which he is not eligible to serve on the Committee for a period of two (2) years. Thereafter, such person may be appointed for additional terms not to exceed two (2) consecutive terms.
- D. The Nominating Committee shall, at its first meeting each year, elect a Chair, who shall serve at the pleasure of the Nominating Committee. The Chair shall be responsible for organizing all meetings of the Nominating Committee, providing guidance and direction to the committee members, establishing an agenda for all meetings and insuring that all required nominations are concluded within the time period specified in these Bylaws.
- E. No person may be appointed by the Nominating Committee to the Board of Trustees who is serving as a Membership Representation Group representative on the Board of Trustees as of the following Term Commencement Date.

SECTION 3. Government and Public Affairs Committee.

- A. The Government and Public Affairs Committee ("G&PA Committee") shall be a standing committee of the Board of Trustees and shall be composed of a maximum of twenty (20) members, each of whom shall be appointed for a two (2) year term. The Association of Professional Community Managers Board and the Business Partners Council shall each appoint three (3) members, and the Community Association Volunteers Committee shall appoint two (2) members to the G&PA Committee from among their respective memberships not later than 60 days prior to the following Term Commencement Date. The Board of Trustees shall appoint the remaining twelve (12) members of the G&PA Committee. All such appointments shall be made so that no more than forty-five percent (45%) shall be from any one (1) membership class and no more than two (2) members shall be members of the

Board of Trustees. The Board of Trustees shall select the chairperson of the Committee from among the appointees.

- B. The G&PA Committee shall be an advisory committee and shall monitor public policy issues on a national, state and local level and make recommendations to the Board of Trustees concerning public positions and non-routine actions to be taken by CAI.

SECTION 4. Audit Committee.

- A. The Audit Committee shall be a standing committee of the Board of Trustees and shall be comprised of five (5) persons serving two (2) year terms. No member of the Audit Committee shall serve more than six (6) years, cumulative. Two (2) members of the Committee must be members of the Board of Trustees, and one (1) member must be a CPA member of CAI. The chairperson shall be appointed by the Board of Trustees. Each member of the Audit Committee shall serve a two (2) year term, provided that the Board may adjust the date of the term of the committee members to be coincident with the then Term Commencement Date.
- B. The Audit Committee shall select and supervise an independent outside auditor to perform an annual audit of CAI, and shall report to the Board of Trustees the status of the audit and the financial condition of CAI as appropriate.

SECTION 5. Special Committees.

Special Committees, including Task Forces, may be appointed by the President, Board of Trustees, or CEO of CAI as deemed necessary, including committees for special projects and study. Special Committees, including Task Forces, shall serve until the work assigned has been completed and shall then be authoritatively dissolved.

SECTION 6. Legislative Action Committees.

In accordance with previously established policies of the Board, as the same may hereafter be supplemented, amended or replaced (the "LAC Operational Guidelines"), the Board of Trustees shall appoint Legislative Action Committees that shall be committees of the Board of Trustees. Each Legislative Action Committee (LAC) shall have a minimum of six (6) LAC delegates and a maximum of twenty (20) LAC delegates, unless the CEO of CAI grants an exception to this size requirement. The LAC delegates shall be made up of community association manager members, community association volunteer leader members, and business partner members. No more than forty-five percent (45%) of the members of a LAC may be from any single membership class where the LAC consists of fourteen (14) or more members, and no more than fifty percent (50%) of the members may be from any single membership class where the LAC consists of fewer than fourteen (14) members, provided that in the latter instance at least one (1) member of the LAC must be a community association volunteer leader member. In accordance with the LAC Policies, chapters will be permitted to nominate chapter delegates to the LAC in their respective states and the LACs will be permitted to nominate at-large delegates. The CAI President must give final approval of all nominations. LACs will function in accordance with CAI's Public Policies and will adhere to the LAC Operational Guidelines that have been adopted by the Board of Trustees, and which may be supplemented, amended or replaced by the Board. If a LAC fails to comply with CAI's Public Policies or the LAC

Operational Guidelines, the Board may take such action as it deems appropriate in its sole discretion, including, without limitation, the termination of the LAC.

ARTICLE X CHAPTERS

SECTION 1. Establishment.

Chapters of CAI may be established by approval of the Board of Trustees upon application of Members of CAI. Chapters shall have such rights, responsibilities, and privileges as may be established by these Bylaws and by policies not inconsistent herewith adopted by the Board of Trustees. The Board of Trustees may revoke the charters of chapters in accordance with such rules and procedures as the Board of Trustees may adopt from time to time. Chapters of CAI shall not have the authority to charge dues or other mandatory fees for membership in the chapter.

SECTION 2. Conformance with National Policies.

Chapter Bylaws and policies must conform with this Article X, and such policies, practices, and procedures that may be adopted by the Board of Trustees with respect to Chapters.

SECTION 3. Board of Directors.

Each chapter shall be governed by a board of directors which shall be comprised of an odd number of directors of not less than five (5) and not more than fifteen (15), as shall be determined by the chapter membership. Depending upon the number of directors chosen by the chapter, its composition shall be as follows:

1	1	2	2	2	2	Community Association Volunteers
1	2	2	2	3	3	Managers
1	2	2	2	3	3	Business Partners
<u>2</u>	<u>2</u>	<u>3</u>	<u>5</u>	<u>5</u>	<u>7</u>	At-Large
5	7	9	11	13	15	

SECTION 4. Terms.

Chapter directors shall serve two (2) or three (3) year terms, as determined by the chapter, however, no director will be eligible to serve more than six (6) years, cumulative, until the director has not served on the chapter board for at least three (3) years at which time a member will be eligible for re-election. Chapter Bylaws shall be amended to reflect this restriction. Notwithstanding the aforementioned, the chapter bylaws may set forth lifetime term limits.

SECTION 5. Nomination and Election.

Each chapter may determine whether to select members of the chapter board of directors by nominating committee or general election, and the chapter bylaws shall be amended, if necessary, to reflect the process chosen.

SECTION 6. Chapters Outside of the United States.

A chapter outside of the United States shall have the same rights, responsibilities, and privileges as United States chapters as set forth in Article X of these Bylaws. Chapters outside of the

United States may request a variance from any of these requirements taking into consideration differences in language, business practices, culture and/or other relevant factors. Any such variance must be approved by the Board of Trustees. Memberships outside of the United States are referenced in Article III, Section 9, of these Bylaws.

ARTICLE XI LIMITATIONS OF LIABILITY; INDEMNIFICATION

SECTION 1. Limitations of Liability.

Any person who serves as an officer, director, trustee, or other person who performs services for the corporation and who does not receive compensation, other than reimbursement of expenses, for those services shall be immune from civil liability except where the injury or damage was a result of:

- A. Gross negligence or willful misconduct;
- B. A crime, unless the person had reasonable cause to believe that the act was lawful;
- C. A transaction that resulted in an improper personal benefit of money, property, or service to the person; or
- D. An act or omission that is not in good faith and is beyond the scope of authority of the corporation pursuant to law or the corporate charter.

SECTION 2. Indemnification.

The directors, officers, committee members, employees, and other volunteers of CAI shall be indemnified and held harmless by CAI from and against any and all expenses (including attorneys' fees and disbursements) and claims for liability arising in connection with their positions or activities on behalf of CAI to the full extent permitted by law.

ARTICLE XII MISCELLANEOUS

SECTION 1. Fiscal Year.

The fiscal year, currently July 1 through June 30 of the following year, of CAI shall be determined by the Board of Trustees.

SECTION 2. Contracts, Checks, Drafts, etc.

Except as otherwise provided in these Bylaws, all contracts and all checks, drafts, notes, acceptances, endorsements and other evidences of indebtedness may be executed on behalf of CAI only by the President, the Treasurer, the Chief Executive Officer and such other Officers and agents of CAI as the Board of Trustees or the Chief Executive Officer may authorize.

SECTION 3. Loans.

The CEO of CAI shall be permitted to obtain loans on behalf of CAI to carry out the policies of the Board of Trustees, except as expressly prohibited in the Executive Limitations Policy promulgated by the Board of Trustees.

SECTION 4. Deposits.

In accordance with policies adopted by the Board of Trustees, all funds of CAI shall be deposited in such depositories as the Chief Executive Officer may select, or as may be selected by another Officer or agent authorized by the Board of Trustees.

SECTION 5. Surety Bond.

The President, the Treasurer, the Chief Executive Officer and such other Officers and agents of CAI as may be determined by the Board of Trustees, shall give and file with the Secretary surety bonds for the faithful performance of their duties in such sums as may be fixed by the Board of Trustees or as required by law. The cost of such bonds shall be paid by CAI.

SECTION 6. Audit.

The Audit Committee shall each year select an independent Certified Public Accountant to audit the financial records of CAI and submit an annual report to the Board of Trustees.

SECTION 7. Procedures.

All meetings of the Members, the Board of Trustees and the Elected Officers shall be governed by the rules set forth in the latest edition of Robert's Rules of Order Newly Revised, as long as such rules are not in conflict with these Bylaws or with rules and procedures established by the Board of Trustees. By majority vote, the Board of Trustees may vote to suspend Robert's Rules.

SECTION 8. Seal.

CAI shall have a seal of such design as the Board of Trustees may adopt, and it may be used by the Secretary in accordance with such rules and procedures as may be adopted by the Board of Trustees.

SECTION 9. Use of Funds and Dissolution.

CAI shall use its funds only to accomplish its stated purpose and objectives. Upon dissolution of CAI, any funds remaining shall be distributed as provided in the Articles of Incorporation.

SECTION 10. Waiver of Notice.

Whenever any notice is required to be given under applicable law, the Articles of Incorporation or these Bylaws, a waiver of such notice in writing signed by the person entitled to such notice, whether such waiver is signed before or after the time for notice has expired, shall be deemed the equivalent of the giving of such notice.

SECTION 11. Transitional Procedures.

Any and all actions taken pursuant to the Bylaws of CAI as in effect prior to the date of adoption hereof shall remain in full force and effect unless and until expressly changed or revoked pursuant hereto. For purposes of the limitation on the number of years a Trustee may serve as

provided in these Bylaws, service as a member of the Board of Trustees prior to the date of adoption of these Bylaws shall constitute service as a Trustee hereunder.

SECTION 12. Codes of Professional Ethics.

CAI, or any properly authorized component or subsidiary of CAI, may adopt mandatory requirements in the public interest with respect to the professional and business practices of Members, provided that any and all such requirements shall be consistent with federal, state, and local laws, including antitrust laws and trade regulations, and, provided further, any provision contained in the CAI Codes which may be related to advertising or solicitation by members shall be limited exclusively to prohibition of false or deceptive advertising by Members and shall not otherwise limit, control, regulate, or prohibit advertising and solicitation practices.

SECTION 13. Rules of Construction.

The following rules of construction shall apply to the interpretation of these Bylaws:

- A. The use of the masculine gender in these Bylaws shall be deemed to refer to the feminine gender and the use of the singular shall be deemed to refer to the plural, and vice versa, whenever the context so requires. The captions and headings contained in these Bylaws are for convenience of reference only and shall not be construed as a limitation on the scope of any particular article, section or subsection of these Bylaws. The captions may not be used in interpreting the meaning of any Article, section or subsection of these Bylaws.
- B. Wherever these Bylaws grant the authority to act or exercise any right or privilege by the Board of Trustees, its officers, the CEO of CAI, the Membership Representation Groups or any person referred to in these Bylaws (the “Authorized Party”), there shall be no limitation on the number of times the Authorized Party may exercise the authority, right or privilege granted, unless these Bylaws expressly provide otherwise.
- C. Wherever these Bylaws use the word “including,” it shall be deemed to be followed by the words “without limitation,” unless expressly stated to the contrary.
- D. If any time period or deadline stated in these Bylaws falls on a Saturday, Sunday or legal holiday, the time period or deadline shall be extended until the next business day.

ARTICLE XIII AMENDMENTS

SECTION 1. General

These Bylaws may be amended and repealed or altered (each of which is hereafter referred to as an “amendment”), in whole or in part, as follows:

- A. With respect to an amendment that is not a Material Amendment (as defined in paragraph C of this Article XIII) by the affirmative vote of ten (10) of the members of the Board of Trustees at a duly called meeting of the Board at which a quorum is present; provided, however, that the notice of such meeting must be in writing, must describe, generally, the scope and nature of the amendment, revision or alteration to the Bylaws, and must state that a

purpose of the meeting is to vote on such proposed amendment, revision or alteration to the Bylaws;

- B. With respect to a Material Amendment (as defined in paragraph C of this Article XIII) by: (i) the approval of the amendment by the Board of Trustees as provided in paragraph A of this Article XIII; and (ii) by the affirmative vote of the aggregate majority of the members of all Membership Representation Groups as reported, in writing, to the Secretary within thirty (30) days of the date the Board of Trustees approved the amendment or such later date as the Board of Trustees may establish (the “Vote Expiration Date”). Notwithstanding the foregoing terms of this paragraph B, if the chair and chair-elect of any Membership Representation Group were absent when the amendment was approved by the Board of Trustees, the Vote Expiration Date shall be that date that is not less than thirty (30) days after the date the Board of Trustees delivers notice of the proposed amendment to the chair of the Membership Representation Group who was not in attendance when the Board approved the amendment. Any Membership Representation Group that fails to report its vote, in writing, to the Secretary on or before the Vote Expiration Date will be deemed to have unanimously approved the amendment.
- C. “Material Amendment” means an amendment to any of the following Articles and Sections:
1. Article III, Sections 2, 4 and 5 (excepting, however, subparagraph 1 of paragraphs A, B and C of Section 4 and the modification of any name used by CAI in connection with any Membership Representation Group);
 2. Article VI, Section 2; and/or
 3. Article XIII.

*Adopted by CAI Board of Trustees May 2004
Amendments Approved by Board of Trustees and
Ratified by Membership Representation Groups October 2005
Amendments Approved by Board of Trustees May 2006
Amendments Approved by Board of Trustees September 2006
Amendments Approved by Board of Trustees June 2007
Amendments Approved by Board of Trustees November 2007
Ratified by Membership Representation Groups December 2007
Amendments Approved by Board of Trustees April 2008
Ratified by Membership Representation Groups May 2008
Amendments Approved by Board of Trustees October 2009
Ratified by Membership Representation Groups November 2009
Amendments Approved by Board of Trustees March 2010
Ratified by Membership Representation Groups April 2010
Amendments Approved by Board of Trustees October 2010
Amendments Approved by Board of Trustees October 2011
Ratified by Membership Representation Groups November 2011
Amendments Approved by Board of Trustees January 2012
Amendments Approved by Board of Trustees December 2013
Ratified by Membership Representation Groups December 2013
Amendments Approved by Board of Trustees August 2014*