



Montego Bay Civic Association

BYLAWS

March 12, 2011

ARTICLE I - General

The name of this incorporated not-for-profit association is Montego Bay Civic Association, Inc., and it is referred to as "Association" in this document. The term "Association" also refers to the "General Membership" of all property owners unless specifically defined otherwise. The principal office is located at 101 W. 130th Street, Ocean City, Maryland 21842, which is its mailing address. Office hours are addressed in the Operational & Procedures Manual and subject to change by the Board of Directors.

ARTICLE II - Purpose

The Montego Bay Association has been formed to further and promote the community welfare of the real property owners and residents of the Subdivision of Montego Bay Residential Community, Ocean City, Maryland. The Bylaws of the Association provide the framework establishing the procedures and responsibilities to exercise the powers and functions of the Association granted by the laws of the State of Maryland, the county of Worcester, the Town of Ocean city, the Declarations of Restrictions, and the decisions of the General Membership.

ARTICLE III - Membership

Section 3.1: Members Every person and legal entity, or their legal representative (including holding a power of attorney recognized by the State of Maryland) that holds legal title to a Lot is a member of the Association and has the privilege of using the recreational facilities and other amenities of the Association, further defined in the Operational & Procedures Manual. Each Owner shall be entitled to evidence of membership. The terms "member" and "owner" are used

interchangeably within this document. Owners are also entitled to one vote per lot. The voting rights of Owners are further defined in the Operational & Procedures Manual and may, from time-to-time, be revised by a majority vote of the General Membership.

Section 3.2: Ownership Roster Every Owner is responsible for providing the Association, in writing, the lot number(s) of property owned and the Owner's current mailing address, and contact information (phone, electronic-mail, website, etc.). In addition, an Owner may also provide more than one e-mail address, a web page, and a telephone number.

ARTICLE IV – Directors and Officers

Section 4.1: The affairs and business of the Association shall be managed by four Officers and a Board of nine Directors. The Officers of the Association shall be a President, Vice President, Secretary, and a Treasurer. The Officers do not serve as members of the Board of Directors. The Board may recommend to the General Membership to add additional Officer positions should it become necessary.

Section 4.2: The term for each Director and Officer shall be for two-years and no Director or Officer can serve more than two consecutive terms in the same position; unless there is no other candidate running for that position. The President and Secretary and four Directors will be elected in odd years. The Vice President and Treasurer and five Directors will be elected in even years.

Section 4.3: All Directors and Officers must be a lot owner and a member in good standing of the Montego Bay Civic Association. Additional qualifications are further defined in the Operational & Procedures Manual and may, from time-to-time, be revised by a majority vote of the General Membership.

Section 4.4: Voting, compensation, liability and indemnification, duties of Directors and each Officer, procedures for removing a Director or Officer, and filling vacancies are further defined in the Operational and Procedures Manual and may, from time-to-time, be revised by a majority vote of the General Membership.

ARTICLE V – Meetings

Section 5.1: Notice of Meeting The Secretary shall mail a notice at least 30 days in advance of each annual or special meeting stating the purpose thereof as well as the date, time and place where it is to be held, to each member at his address as it appears on the books of the Association. Service may also be accomplished by the delivery of such notice to the member in person or to an e-mail address provided by the Owner. Notice by either such method shall be considered as notice served. No notice is required for regular meetings of the Board of Directors. Notice requirements are further outlined in the Operational and Procedures Manual that may, from time-to-time, be changed by the General Membership.

Section 5.2: Open Meetings. All meetings shall be open to all members of the Association or their agents except, when appropriate, meetings or a part thereof may be closed as permitted under the provisions of Title 11B - of the Real Property Article of The Annotated Code of Maryland - The Maryland Homeowners Association Act. Attendance and participation in meetings is outlined in the Operations and Procedures Manual that may, from time-to-time, be changed by the General Membership or the Act.

Section 5.3: Closed Meetings: Meetings may be closed as provided for in the Homeowners Association Act of Maryland, which is duplicated in the Operations and Procedures Manual.

Section 5.4: General Membership Meetings: The Association shall hold two general membership meetings each year, one at 10:00 a.m. on the third Saturday in August and one at 10:00 a.m. on the third Saturday in April.

- a. Notice of General Membership meetings will be issued no later than 30 days before the meeting. The General Membership meetings shall be held any place within Worcester County in the State of Maryland as designated by a majority of votes cast by the Board of Directors and Officers.
- b. The presence, either in person or by returned ballots, of at least forty (40) Lot Owners shall constitute a quorum for the transaction of business by the General Membership at all General Membership meetings of the Association. If the number of Owners at a meeting drops below the quorum and the question of a lack of a quorum is raised; no business may thereafter be transacted.
- c. The purpose and procedures associated with the General Membership Meetings are contained in the Operational and Procedures Manual that may, from time-to-time, be changed by the General Membership.

Section 5.5: Special Meetings All Special Meetings must be open to the General Membership and must provide notice as required in these Bylaws and other governing documents. Failure to provide notice will invalidate any decisions or outcomes of such unannounced meetings. Requirements and procedures for calling special meetings of the General Membership and the Board of Directors are outlined in the Operations and Procedures Manual that may, from time-to-time, be changed by the General Membership.

Section 5.6: Board of Directors Regular Meeting: Whenever possible, meetings of the Board of Directors shall be held within the Montego Bay Subdivision, otherwise they may be held at any location within Worcester County in Maryland determined by a majority of the Board of Directors and Officers. For purposes of a quorum, a majority of the entire Board of Directors filled seats shall be necessary to constitute a quorum for the transaction of business. The time and place of the regular meeting of the Board of Directors are further defined in the Operational and Procedures Manual that may, from time-to-time, be changed by the Board of Directors and Officers.

ARTICLE VI - Committees

Section 6.1: Establishment The Board of Directors shall establish committees prescribed in these Bylaws and define their primary duties. The Board may also establish other committees by Resolution and any ad hoc advisory bodies it deems appropriate. Resolutions establishing committees other than the committees prescribed in the Bylaws may provide for their termination. The President shall appoint committee chairpersons with the consent of the Board of Directors. Chairperson shall appointment committee members. Committees of the Association are listed below. Additional committee guidelines and requirements are further outlined in the Operational and Procedures Manual that may, from time-to-time, be changed by the Board and Officers or the General Membership.

Section 6.2: Committees

- a. Executive Committee: The President may convene the Executive Committee with the approval of at least one other Officer only in the case where emergency action is required and there is insufficient time to call a special meeting of the Board of Directors.
- b. Standing Committees. The Association shall have the following standing committees with additional duties assigned by the Board:
 1. Advisory and Strategic Planning
 2. Bylaws and Declarations
 3. Budget and Finance
 4. Architectural Review
 5. Permit Processing
 6. Pools and Recreation
 7. Parks and Pond
 8. Communications
- c. Special Committees. The Association shall have a Nominating Committee and a Teller Committee with responsibilities for the conducting of elections of Officers and Board of Directors. The duties of each committee are outlined in the Operational and Procedures Manual that may, from time-to-time, be changed by the Board and Officers or the General Membership.
- d. Other Committees. The Board may establish during regular Board meetings other committees from time-to-time, assign duties to each committee and terminate those committees.

ARTICLE VII – ELECTION PROCEDURE

All Owners eligible to vote shall be provided an election ballot and envelope at least 30 days before the Annual August General Membership meeting. Ballots must be returned in the envelope provided. Candidates must be present to be eligible for election. The election ballot shall be so arranged that separate votes can be cast for Officers of the Association and for Directors for the Board. Election procedures and requirements are further defined in the Operational and Procedures Manual that may, from time-to-time, be changed by the Directors and Officers or the General Membership.

ARTICLE VIII – DUES and SPECIAL ASSESSMENTS

Section 8.1: Annual Homeowner Dues: Each Lot Owner shall pay to the Association an annual dues, as proposed by the Board of Directors, to meet the Association's annual expenses; however, that annual dues may not be increased by more than ten percent (10%) per year without approval of the General Membership. The annual dues shall be paid by May 1 of each year. No member may exempt himself from liability for dues by a waiver of the use or enjoyment of any of the Association facilities or amenities. Additional requirements associated with annual dues, and liability for and non-payment of dues, are outlined in the Operational and Procedures Manual that may, from time-to-time, be changed by the Board of Directors and Officers.

Section 8.2: Special Assessments: In addition to the regular dues authorized by this Article, the majority of respondents from a ballot of the General Membership may levy in any assessment year a special assessment or assessments, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement located upon the Association's property related thereto, or for such other purposes as the Board of Directors may recommend.

ARTICLE IX - Finance

Section 9.1: Fiscal Year The fiscal year of the Association shall begin on the first day of May in each year and end on the last day of April in the next calendar year. The commencement date of the fiscal year herein established shall be subject to change by the Board of Directors.

Section 9.2: Financial Requirements The Association shall have a reserve and an operational budget and establish policies for lien's, mortgage protections, promissory notes, contracts, annual reporting requirements, and a Financial Review/Audit schedule. Such actions and requirements shall be further defined in the Operational and Procedures Manual that may, from time-to-time, be changed by the Board of Directors and Officers or the General Membership.

ARTICLE X – Covenants

Section 10.1: The covenants section of these bylaws, further outlined in the Operational and Procedures Manual, can be modified by a majority vote of the General Membership and brought by either a recommendation of the Board of Directors or by petition or referendum. In the event there is a conflict between these Bylaws and the Declaration document, the Declaration document shall prevail.

Section 10.2: After MBCA review of a building permit and approved in accordance with these Bylaws and the Operational and Procedures Manual, the Owner must commence construction within six months.

Section 10.3: Prohibited or Limited Uses, Nuisances, Leasing and Renting, Selling, and Owner's Maintenance requirements are outlined in the Operational and Procedures Manual that may, from time-to-time, be changed by a majority vote of the General Membership.

ARTICLE XI - Miscellaneous

Section 11.1: Notices Unless another type of notice is herein elsewhere specifically provided for, any and all notices called for in the Declaration or in these Bylaws shall be given in writing and may be given by e-mail if the Member has authorized notice in that manner.

Section 11.2: Severability In the event provision or provisions of these Bylaws shall be determined to be invalid, void or unenforceable, such determination shall not render invalid, void or unenforceable any other provisions hereof which can be given effect.

Section 11.3: Waiver No restriction, condition, obligation or provision of these Bylaws shall be deemed to have been abrogated or waived by reason of any failure or failures to enforce the same.

Section 11.4: Captions The captions contained in these Bylaws are for convenience only and are not a part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

Section 11.5: Gender, etc. Whenever in these Bylaws the context so requires, the singular number shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

Section 11.6: Motions of the Board, unless otherwise specifically required by the Bylaws, Restrictions, or other enforceable document, shall be determined by the majority of votes cast.

Section 11.7: Association Books and Records Except as otherwise provided by the laws of the State of Maryland, the books and records of the Association shall be kept at the Montego Bay Civic Association office. Policies and procedures related to the books and records are further outlined in the Operational and Procedures Manual that may, from time-to-time be changed by the Board of Directors.

Section 11.8: Petitions A petition may be used to propose action requiring a referendum, to call for a special meeting of the members, to include an issue for consideration by the members in the notice of the annual meeting of the members, or to request action by the Board of Directors. Requirements associated with petitions are further outlined in the Operational and Procedures Manual that may, from time-to-time, be changed by the General Membership.

Section 11.9: Referendum Issues Referendum refers to where specifically provided for herein, the Members, or some specific portion thereof, shall have the power to approve or reject by referendum certain actions proposed or taken by the Officers and Board of Directors on behalf of the Association including, with limitation, the levy by the Association of any Special Assessment and the addition or deletion of functions or services which the Association is authorized to perform. Requirements associated with referendums are further outlined in the Operational and Procedures Manual that may, from time-to-time, be changed by the General Membership.

Section 11.10. Definitions Terms used in these Bylaws are contained in the Operational & Procedures Manual and may, from time-to-time, be revised by the Board. The definitions must be revised by the General Membership if a change in definition will result in a change to the rights or restrictions affecting the Owners.

ARTICLE XII - Amendments

Section 12.1: Proposal of Amendments Amendments to the Bylaws may be proposed by the Board of Directors or by a petition filed under Article XI, Section 11.8.

Section 12.2: Approval of Amendments Amendments to the Bylaws, whether proposed by the Board or by petition, require approval of 51% of the General Membership by a referendum; except as specifically identified as a responsibility of the Board within these Bylaws.

Section 12.3: Board of Directors Amendments The sections designated within these Bylaws as falling within the authority of the Board of Directors to amend require that the amendment is read at two consecutive Board of Directors meetings and may be voted upon at the second meeting. Two-thirds of the total Board of Directors and Officers must vote in favor of the proposed amendment for it to pass. Other than listing the proposed amendment reading in an agenda for the meeting published and available to Owners one-week in advance of the reading, no further notice to Owners shall be required.

