

**BY-LAWS OF
THE COMMUNITY ASSOCIATIONS INSTITUTE
New Jersey Chapter, Inc.**

(Approved by CAI-NJ Board on May 24, 2017)

**ARTICLE I
NAME AND OFFICE**

SECTION 1. Name. The name of this organization shall be The Community Associations Institute – New Jersey Chapter, Inc. (“Chapter”).

SECTION 2. Incorporation; Registered Office. The Chapter is a corporation, incorporated in the state of New Jersey and is a Chapter of the Community Associations Institute (“CAI”). The Chapter shall maintain a registered office and shall have a registered agent within, and as required by the laws of, the State of New Jersey.

**ARTICLE II
DEFINITIONS**

SECTION 1 Definitions.

- A. “At-Large Member” means a member of Community Associations Institute who falls within one of the classes of membership as defined in Article 111, Section 3. In relation to positions on the Board of Directors and committees, at-large members may be from any membership class, and have the same role and responsibilities as all other members of the Board or committee.
- B. “Board of Directors” means the Board of Directors of the Chapter and “Director” means a Member of the Board of Directors.
- C. “Board of Trustees” means the Board of Trustees of CAI and “Trustee” means a member of CAI’s Board of Trustees.
- D. “CAI’s By-Laws” means the By-Laws of CAI as the same may be amended or replaced.
- E. “Community Association” means any incorporated or unincorporated association trust or other entity comprised of the owners of interests in a residential, commercial, or industrial condominium, real estate cooperative, planned unit development, or other real estate common interest community.
- F. “Company” shall mean a business incorporated according to the laws of a state, a limited liability corporation, a partnership, or other relationship of individuals providing service or products to others.
- G. “Member” means a Member of the New Jersey Chapter of CAI.
- H. “Member in Good Standing” means a member whose rights have not been suspended by the Chapter or CAI.
- I. “Membership Representation Group” means the following categories of membership: Professional Community Association Managers/Management Companies, Community Association Volunteers, and Business Partners.

**ARTICLE III
MEMBERSHIP**

SECTION 1. General Requirements. Applications for membership in CAI and within any class of membership of CAI shall be approved in accordance with the terms of CAI’s By-Laws and such rules, procedures, and limitations as may be established by the Board of Trustees from time to time. CAI shall

have the right to determine the appropriate class of membership for any Member. Membership in CAI is as authorized by CAI. Members are automatically assigned to a CAI certified Chapter in accordance with established Chapter boundaries.

SECTION 2. Conflict of Interest. All chapter board members and committee members shall comply with the conflict of interest policies adopted by the Board of Trustees and stricter policies as may be established by the Chapter

SECTION 3. Classes of Members. The membership of CAI shall consist of the following:

A. Community Association Volunteers. All individuals residing 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. Community Association Volunteers will be considered as individual members of CAI. Community associations purchasing the membership on behalf of a community association volunteer or volunteers, shall own each such membership and shall be permitted to transfer each membership to one other volunteer in the community association during the term of membership or upon renewal of the membership. Individuals purchasing a membership 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. A management company or employer of a manager purchasing the individual membership 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 or upon renewal of the membership, but only in the event the manager originally identified is no longer employed by the management company. Individuals purchasing a membership 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 may transfer a contact designation to another individual in the company, partnership, corporation, or other business entity 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 to committees or the Board of Directors.

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. Whenever the term “CEO of a management company” is used in these By-Laws, 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 or provide services to association-governed communities, may attend classes and functions at the membership price.

SECTION 4. Rights and Privileges.

- A. Chapter Rights and Privileges. Each Member in good standing of the Chapter shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such other rights, privileges, and responsibilities as the Board of Directors shall determine from time to time. Except as other provided in these By-Laws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the Chapter Board of Directors and committees.

- B. CAI Rights and Privileges. Each Member in good standing of CAI shall be entitled to cast one vote on any and all matters required to be voted upon by Members and shall have such other rights, privileges, and responsibilities as the Board of Trustees shall determine from time to time. Except as other provided in these By-Laws, and subject to eligibility requirements, each Member in good standing shall be eligible to serve on the CAI Board of Trustees, Membership Representation Groups, and committees.

SECTION 5. Suspension for Nonpayment. The Chapter may adopt reasonable policies to suspend certain membership rights and privileges resulting from nonpayment of amounts due and owing to the Chapter or CAI.

**ARTICLE IV
ANNUAL DUES**

The Board of Trustees shall determine the amount of annual dues, fees, and other assessments to be paid to CAI by each class of members. Unless terminated, each membership shall continue automatically from year to year, with annual dues, fees, and other assessments payable by each Member on or before such date as shall be determined by the Board of Trustees. Unless otherwise directed by the Board of Trustees, all annual dues, fees, and other assessments shall be paid to CAI in advance of the twelve (12)-month period to which they relate. The Board of Trustees may from time to time impose such other fees and charges as it deems proper and may waive or modify the requirement to pay dues, fees, or charges for particular Members.

**ARTICLE V
MEETING OF MEMBERS**

SECTION 1. Annual Meeting. There shall be an annual meeting of Members of the Chapter 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 Directors may determine subject to the following: Written notice of such meeting stating the date, time, and place of such meeting shall be

sent to each Member, at the last address shown on the Chapter's records, at least fifteen (15) days before the date of the meeting, or as provided by state law.

SECTION 2. Special Meetings. Special meetings of the Members may be called only by the Board of Directors. Special meetings shall be held at such times and places as the Board of Directors may determine. Written notice of any special meeting stating the date, time, place, and purpose of such meeting shall be sent to each Member of record entitled to vote at the meeting, at the last address shown on the Chapter's records, not less than ten (10) nor more than at least sixty (60) days before the date of the meeting, or as provided by state law.

SECTION 3. Notices. Unless otherwise prohibited in these Bylaws or by state law, all notices and other communications required by these Bylaws or state law shall be in writing and shall be deemed to have been duly given if delivered by:

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

SECTION 4. Quorum. Fifty Members of the Chapter 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 By-Laws. If a quorum is not present at any duly called meeting of the Members, a majority of the Members present may adjourn the meeting from time to time, without further notice, until a quorum is present, provided that the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken.

SECTION 5. Voting and Proxies. Voting on all matters required to be acted upon by the Members may be conducted by directed proxy (specifying the voting Member's choices) or absentee mail ballot. The Board of Directors may establish rules and procedures for proxy voting by Members, provided, however, that all proxies must be in writing. A proxy shall not be valid for more than eleven (11) months unless a longer time is expressly provided therein, but in no event, shall a proxy be valid after three (3) years from the date of execution. Each Member of the Chapter shall be entitled to cast one (1) vote on any and all matters required to be voted upon by Members.

SECTION 6. Action Taken Without A Meeting. In the Board's discretion, any action that may be taken by the Members at any annual or special membership meeting, other than the annual election of Directors of the Chapter, may be taken without a meeting by written ballot or written consent as provided below.

- A. Written Ballot. A written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot shall be valid only when the vote cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the vote of approval equals or exceeds that which would be required to approve the matter at a meeting at which the total vote cast was the same as the vote cast by ballot.

All solicitations for votes by written ballot shall: (a) indicate the number of responses needed to meet the quorum requirements; (b) state the percentage of approvals necessary to approve each matter, other than election of Directors; and (c) specify the time by which such ballot must be received by

the Board of Directors in order to be counted. A ballot may not be revoked. The Chapter shall maintain such ballots in its file for at least three (3) years.

Approval of any action taken by written ballot shall be effective upon the receipt of the affirmative vote necessary to take such action.

B. Written Consent. Approval by written consent shall be valid only when the affirmative written consents received equals or exceeds the vote that would be required to approve the matter at a meeting. Consents shall be filed with the minutes of the next following membership meetings. Approval of any action taken by written consent shall be effective ten (10) days after sending the notice of approval described below.

C. Notice to Members of Approval. If any action of the Chapter membership is approved by written ballot or written consent, the Board of Directors shall issue notice of such approval to all Members.

SECTION 7. Order and Conduct of Business. The President shall establish the agenda for, and preside at, and the Secretary shall keep the minutes of, all membership meetings. The Board of Directors may establish rules of conduct and the order of business for all membership meetings. When not in conflict with these By-Laws, the Articles of Incorporation or meeting procedures adopted by the Board of Directors, Roberts Rules of Order (latest edition) shall govern all membership meetings. The Board may order the removal of anyone attending a membership meeting who, in the opinion of the Board, disrupts the conduct of the business at such a meeting. The use of Roberts Rules of Order may be partially or wholly suspended by majority vote of the Members. In the event of any dispute concerning the meaning of any meeting rules, including Roberts Rules, the decision of the chair, who may consult with counsel, shall be final and binding.

ARTICLE VI

BOARD OF DIRECTORS

SECTION 1. Powers of the Board of Directors. The Board of Directors shall have supervision, control, and direction of the affairs and property of the Chapter, shall actively pursue the purposes and objectives of the Chapter and CAI, shall insure that the Chapter and its By-Laws comply with the policies and procedures of CAI, shall have discretion in the use and disbursement of Chapter funds and shall possess, for the purpose of performing these responsibilities, the power to exercise such other powers as are granted by law to non-profit corporations of the State of New Jersey. The Board of Directors may adopt such rules, regulations, and procedures for the conduct of its business, for the execution of its powers, for the implementation of these By-Laws, and for the fulfillment of the purposes and objectives of the Chapter and CAI as it shall deem necessary or advisable.

SECTION 2. Composition of the Board.

A. The Board of Directors shall be composed of the number of Directors as determined by the Members, but in no event shall be fewer than five (5) or more than eleven (11) Directors. The composition of At-Large seats on the Board of Directors shall not result in any one Membership Representative Group with more than fifty percent (50%) of the seats on the Board of Directors. The Chapter will use its best efforts to achieve the composition of the Membership Representative Groups set forth in Article VI, Section 2. The Membership Representation Group shall be determined as of the date of election of each Director, notwithstanding a change in such Director's Membership Representation Group during such Director's current term.

In accordance with the updated Model Chapter Bylaws mandated changes, the number of Board of Directors will be reduced as follows:

Election year 2017 (for calendar year 2018) - 14 Directors Election year 2018 (for calendar year 2019) - 13 Directors Election year 2019 (for calendar year 2020) - 11 Directors

The eleven (11) Directors shall include two (2) Community Association Volunteers, two (2) Community Association Managers, two (2) Business Partners, and five (5) At-Large Members.

- C. The composition of At-Large seats on the Board of Directors shall not provide any one membership category with more than fifty percent (50%) of the seats on the Board of Directors.

SECTION 3. Term of the Board of Directors. Each Director shall serve for a term of three (3) years or until his successor has been appointed. Board of Directors terms shall be staggered so that the terms of not more than one-third of the Directors expire each year. A Member may serve on the Board of Directors for a total of six (6) years. Those years of service do not have to be consecutive. After a Member has served for six (6) years, they may not serve again for three years. At that time, they begin the process of accumulating their six (6) years again.

SECTION 4. Nomination and Election of Directors.

- A. Except as otherwise provided in these By-Laws, each Member in good standing shall be eligible for nomination to serve as a Director.
- B. Nominations of individuals to serve as Directors shall be made by the Nominating Committee in accordance with these By-Laws and such rules and procedures as may be established by the Board of Directors. Nominations of individuals to serve as Directors may also be made by written petition signed by twenty-five (25) Members in good standing.
- C. The Nominating Committee shall submit to the Members at least forty (40) days before the date set for the election of Directors a written report specifying the Director Election Date, and setting forth a slate of nominees to serve as Directors. Such slate shall be comprised of one nominee for each of the available seats on the Board of Directors that are to be filled. The slate shall designate the Membership Representation Group to be represented by each nominee. Petitions for nominees to serve as Directors must be received by the Nominating Committee at least thirty (30) days before the election date. If any petition is received within such time, the Nominating Committee shall, at least (fifteen) 15 days before the election date, submit to the members a written ballot containing the names of all eligible nominees, indicating for each nominee, whether he or she was nominated by the Nominating Committee or by petition. The ballot shall indicate the date by which it must be returned in order to be counted and such other information as may be required by state law. The persons receiving the most votes for each open position shall be elected. In the event of a tie vote, the chapter board will vote to break the tie, and the person(s) receiving the highest number of votes shall be elected.
- D. If no petitions are received by the Nominating Committee within the time prescribed in these By-Laws, then, on the election date, the Secretary shall cast a unanimous ballot for the slate of nominees nominated by the Nominating Committee and such nominees shall be declared elected Directors of the Chapter.
- E. No candidate may campaign for election 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

SECTION 5. Meetings. The Board of Directors shall hold a minimum of one (1) meeting quarterly at such time and place as the Board of Directors may determine. In addition, special meetings of the Board of Directors may be called by the President or upon the written request of one-third (1 /3) of the Directors

or upon the written request of the Executive Director, at such time and place as the President, or President-Elect, as the case may be, may designate. Any or all Directors may participate in duly called meetings of the Board of Directors 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 Directors may be given orally or in writing and shall be given to each member of the Board of Directors at least 72 hours before the time appointed for the meeting, except in an emergency, 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 Chapter members, but members other than Directors may not participate in any discussion or deliberation unless expressly authorized by the Board of Directors. Notwithstanding the above, the Board of Directors 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 any notice is required to be given to any Director under these By-Laws, a written waiver thereof, signed by the Director or Directors entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice. A Director's presence at a Board of Directors' meeting, without protesting prior to the conclusion of the meeting the form or lack of notice, shall constitute a waiver of notice regarding that meeting.

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 Directors or of any committee thereof may be taken without a meeting if, prior or subsequent to the action, a written consent setting forth the action so taken shall be signed by all members of the Board of Directors or of such committee, as the case may be, and the written consents are filed with the minutes of the procedures of the Board or committee. Such unanimous written consent shall have the same force and effect as a unanimous vote at a meeting of the Board of Directors or at a meeting of such committee, as the case may be. All such action shall be reported at the next duly called meeting of the Board of Directors.

SECTION 8. Quorum; Acts of the Board. A majority of the number of Directors shall constitute a quorum for the transaction of business at any duly called meeting of the Board of Directors. At any duly called meeting of the Board of Directors at which a quorum is present, the act of a majority of the Directors present and voting shall be the act of the Board of Directors on any matter, except with respect to public policy issues or where the act of a greater number of Directors is required by law, the Articles of Incorporation, or these By-Laws. If a quorum is not present at any duly called meeting of the Board of Directors, a majority of the Directors present may adjourn the meeting from time to time, without further notice, until a quorum is present. Notice of an adjourned meeting need not be given if the time and place are fixed at the meeting where the adjournment takes place.

SECTION 9. Votes on Matters Related to Public Policy. All matters involving a public policy position of the Chapter must be adopted by a two-thirds (2/3) vote of those Directors present and voting at a duly called meeting of the Board of Directors, a quorum being present, and must not be inconsistent with the policies, goals, and objectives of CAI.

SECTION 10. Resignation or Removal. Any Director may resign by presenting a written resignation to the President or Secretary, and such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of receipt thereof by the Board of Directors. Any Director unable to attend a duly called meeting of the Board of Directors shall advise the President or Chief Executive Director as to the reason for the absence. A Director who is absent from three duly called meetings of the Board of Directors

in the calendar year may be removed, upon at least ten (10) days notice of intent to remove, by a two-thirds (2/3) affirmative vote of the entire Board of Directors at the next regularly scheduled meeting of the Board. Such notice must be sent to the last known address of the Director whose removal is proposed. A Director may be removed from office, with cause, by a two-thirds (2/3) affirmative vote of the entire Board of Directors, provided, however, that such Director shall be afforded an opportunity to be heard, either orally or in writing, prior to any such action.

SECTION 11. Vacancies. Any vacancy occurring on the Board of Directors may be filled by the affirmative vote of a majority of the remaining members of the Board of Directors even though less than a quorum of the Board. Any Director elected to fill a vacancy shall serve through the end of the unexpired term of his/her predecessor in office.

SECTION 12. Reimbursement of Expenses. No Director shall be compensated for serving as a Director, provided, however, that the Board of Directors may reimburse any Director for reasonable out-of-pocket expenses incurred as budgeted and authorized by the Board of Directors.

ARTICLE VII

OFFICERS

SECTION 1. Officers. The elected officers of the Chapter shall be a President, a President-Elect, a Vice President, a Treasurer, and a Secretary. The Board of Directors may from time to time appoint such other officers as the Board may deem necessary or advisable.

SECTION 2. Qualifications, Election, and Term of Office. The Officers of the Chapter, with the exception of President and President-Elect, shall be elected from among the Directors each year by the Board of Directors by a majority vote of the Board. Each Officer will serve for a term of one (1) year and until a successor has taken office. 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. In order to run for President-Elect, a Director must have two (2) years remaining in his term, such that he will serve as President-Elect during the second year of his term and will serve as President the third year of his term.

SECTION 3. Removal. Any Officer may be removed by a majority vote of the entire Board of Directors if, in the judgment of the Board of Directors, the best interest of the Chapter would be served by such removal.

SECTION 4. Vacancies. Vacancies in any office, with the exception of President, may be filled for the balance of the remaining term by the Board of Directors at a meeting of the Board in accordance with such rules and procedures as may be established by the Board. In the event of a vacancy in the office of President, the President-Elect shall act as President for the unexpired portion of the term of office of the predecessor in such office and shall succeed to such office upon the expiration of the term. In the event the President-Elect cannot or will not agree to serve the unexpired term of his predecessor in office, the Board of Directors shall elect from its members a person to serve as President for the unexpired term.

SECTION 5. President. The President shall be the Chief Elected Officer of the Chapter, shall be a member of the Executive Committee and an ex officio member of all other committees of the Board of Directors, and shall preside at all meetings of the Members, the Board of Directors, and the Executive Committee. Unless otherwise provided in these By-Laws or directed by the Board of Directors, the President shall appoint all committees, subject to ratification by the Board of Directors. The President shall have the authority to represent the Chapter and act in its name in accordance with the declared policies of the Chapter and CAI. The President shall communicate to the members of the Chapter and to the Board of Directors such matters and make suggestions as may tend to promote and further the purposes and

objectives of the Chapter and 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 Directors.

SECTION 6. President-Elect. The President-Elect shall perform the duties of the President in the President's absence or in the event of his or her resignation, removal or inability or refusal to act. The President-Elect, when so acting, shall have all the power and responsibility of the President. The President-Elect shall also perform such other duties as may be assigned by the President or the Board of Directors. Notwithstanding any other provision of these By-Laws, In the event that an individual serving in his or her sixth year as a Director is elected President- Elect, that individual shall be entitled to serve for an additional year. At the end of the additional year, there shall be a two-year unexpired term which shall be filled by an election in accordance with Article VI, Section 4 of these By-laws. At the end of the President-Elect's term, the President-Elect shall automatically become the President for the succeeding year.

SECTION 7. Vice President. The Vice President shall perform the duties of the President-Elect in the President- Elect's absence or in the event of his or her resignation, removal or inability or refusal to act. The Vice President, when so acting, shall have all the power and responsibility of the President-Elect. The Vice President shall also perform such other duties as may be assigned to him or her by the President of the Board of Directors. The Vice President shall be elected annually and at the end of the Vice President's term, the Vice President shall automatically become the President-Elect for the succeeding year.

SECTION 8. Treasurer. The Treasurer or such other person as the Board of Directors may designate shall be the custodian of Chapter funds and securities, shall be the disbursing agent for the Chapter, and shall provide to the Executive Committee and the Board of Directors an annual report of all receipts and disbursements of the Chapter. The Treasurer shall perform all other duties incident to the office of Treasurer. The Treasurer shall be elected annually.

SECTION 9. Secretary. The Secretary or such other person as the Board of Directors may designate shall be responsible for the keeping of complete and accurate minutes of all meetings of the Members, Board of Directors, and the Executive Committee. The Secretary shall perform all other duties incident to the office of Secretary. The Secretary shall be elected annually.

SECTION 10. Chapter Staff. The Board of Directors may appoint an Executive Director to manage the operations within the authority delegated by the Board of Directors.

SECTION 11. Salaries. Reimbursement of Expenses. No elected Officer of the Chapter 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, as budgeted and authorized by the Board of Directors

ARTICLE VIII COMMITTEES

SECTION 1. Executive Committee.

- A. Unless otherwise directed by the Board of Directors, the Executive Committee of the Board of Directors shall be comprised of the President, the President-Elect, the Vice President, the Treasurer, and the Secretary. The Executive Committee shall have and exercise all of the authority of the Board of Directors, including all actions specified in these By-Laws as actions to be taken by the Board of Directors, in any emergencies that occur between meetings of the Board of Directors, except that the Executive Committee shall not have the authority to: (1) amend, alter, or repeal these By-Laws; (2) elect, appoint, or remove any Director or Officer of the Chapter; (3) adopt a resolution proposing an amendment to the Articles of Incorporation; (4) adopt a plan of merger

or consolidation with another corporation; (5) acquire or authorize the sale, lease, exchange, or mortgage of any real property of the Chapter; (6) authorize the sale, lease, exchange, or mortgage of all or substantially all of the personal property and assets of the Chapter; (7) authorize or institute proceedings for the voluntary dissolution of the Chapter; (8) adopt a plan for the distribution of the assets of the Chapter; or (9) amend, alter, or repeal any resolution of the Board of Directors. The Executive Committee shall act on all human resource matters for the Chapter. The Executive Committee shall act by vote of a simple majority of the Executive Committee on any matter. The Executive Committee shall make due report of its actions to the Board of Directors whenever so required. The President shall serve as the chairperson of the Executive Committee.

B. The Executive Committee is authorized to receive, hold, invest, manage, allocate, and apply on behalf of the Chapter and in the furtherance of its purposes and objectives, all income received by the Chapter and all real and personal property received or owned by the Chapter. The Executive Committee shall, in accordance with such procedures as may be established by the Board of Directors from time to time, recommend a budget to the Board of Directors for each fiscal year.

SECTION 2. Nominating Committee. Each year the Executive Committee shall designate a Nominating Committee that shall consist of the immediate past President of the Chapter, the President-Elect, and at least three other members of the Chapter who are not elected officers of the Chapter and who are not running for election. At least one member of the Nominating Committee shall be a Community Association Volunteer and no more than two (2) members of the Nominating Committee may be from the same Membership Representation Group. Unless otherwise directed by the Executive Committee, the immediate past President of the Chapter shall serve as chairman of the Nominating Committee.

SECTION 3. Legislative Action Committee. The Board of Directors shall appoint delegates to the New Jersey Legislative Action Committee in accordance with the Legislative Action Committee Operational Guidelines approved by the CAI Board of Trustees. The appointed delegates shall provide a report to the Chapter Board of Directors regularly.

SECTION 4. Budget and Finance Committee. Each year the President shall appoint a Budget and Finance Committee that shall include the Treasurer of the Chapter, the immediate Past Treasurer and up to three (3) other members. The Budget and Finance Committee's duties shall include monitoring compliance with the Chapter's investment policy, as it may be amended from time to time by the Board. Further, the Budget and Finance Committee shall examine the accounts and books of the Chapter and make interim reports to the Board and further, shall oversee any audit, review or compilation of the chapter financial statements by a certified public accountant and report results of the audit, review or compilation to the Board of Directors.

SECTION 5. Other Committees. Unless otherwise provided by these By-Laws or directed by the Board of Directors, the President shall appoint such other standing or special committees, subcommittees, or boards as may be required by these By-Laws or as may be deemed necessary or appropriate by the President.

ARTICLE IX

LIMITATIONS OF LIABILITY; INDEMNIFICATION

SECTION 1. Limitations of Liability. Nothing herein shall constitute Members of the Chapter as partners for any purpose. No Member, Officer, Director, agent, representative, or employee of the Chapter shall be liable for any act or failure to act on the part of any other Member, Officer, Director, agent,

representative, or employee of the Chapter, nor shall any Member, Officer, Director, agent, representative, or employee of the Chapter be liable for any act or failure to act under these By-Laws, except acts or failures to act arising out of such person's willful malfeasance.

SECTION 2. Indemnification. The Chapter shall indemnify and hold harmless, to the fullest extent now or hereafter permitted by law, each current and former Director, Officer, employee, agent, and representative of the Chapter who was or is made a party to or a witness in or is threatened to be made a party to or a witness in, or is otherwise involved in, any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, by reason of the fact that such person is or was a Director, Officer, employee, agent, or representative of the Chapter, whether the basis of such proceeding is alleged action or failure to take action in an official capacity, against any and all expenses (including attorneys' fees and disbursements), liabilities (including judgments, fines, excise taxes, and penalties); amounts paid in settlement, and amounts expended in seeking indemnification granted to such person under applicable law or these By-Laws, actually and reasonably incurred by such person in connection with such proceedings. The Chapter shall pay expenses (including attorneys' fees and disbursements) incurred by a current or former Director, Officer, employee, agent, or representative of the Chapter in connection with the investigation, defense, settlement, or appeal of any proceeding that such person was or is made a party to or a witness in or is otherwise involved in, by reason of the fact that such person is or was a Director, Officer, employee, agent, or representative of the Chapter. The rights of indemnification and advancement of expenses provided herein shall not be deemed exclusive of any other rights that any person seeking indemnification or advancement of expenses may have or hereafter be entitled to claim or exercise.

ARTICLE X MISCELLANEOUS

SECTION 1. Fiscal Year. The fiscal year of the Chapter shall be on a calendar year unless changed by the Board of Directors.

SECTION 2. Contracts, Checks, Drafts, etc. Except as otherwise provided in these By-Laws, or the duly adopted policies and procedures of the Chapter, all contracts and all checks, drafts, notes, acceptances, endorsements, and other evidences of indebtedness may be signed on behalf of the Chapter only by the President, Treasurer, Executive Vice President, or such other Officers and agents of the Chapter as the Board of Directors or the Executive Committee may authorize. Any wire transfer of CAI-NJ funds must be approved by the Board of Directors, and then authorized in writing by the President and another Officer of the Chapter, or by the President and Executive Vice President of the Chapter.

SECTION 3. Loans. No loans shall be made or obtained on behalf of the Chapter, and no negotiable instruments other than checks shall be issued in its name, unless and except as authorized by a majority of the entire Board of Directors.

SECTION 4. Deposits. Unless otherwise directed by the Board of Directors, all funds of the Chapter shall be deposited in such depositories as the Executive Committee or the President may select, or as may be selected by another Officer or agent authorized by the Executive Committee.

SECTION 5. Surety Bond. The President, the Treasurer, the executive director and such other Officers and agents of the Chapter as may be determined from time to time by the Board of Directors, shall give and file with the Secretary surety bonds for the faithful performance of their duties in such sums as may be fixed from time to time by the Board of Directors. The cost of such bonds shall be paid by the Chapter. The Chapter shall maintain Directors and Officers liability coverage covering all Directors and Officers in an amount to be determined by the Board.

SECTION 6. Procedures. All meetings of the Members, the Board of Directors, and the Executive Committee shall be governed by the rules set forth in the latest edition of Roberts Rules of Order, as long as such rules are not in conflict with these By-Laws or with rules and procedures established by the Board or the Executive Committee. By majority vote, the Board of Directors may vote to suspend Robert's Rules of Order.

SECTION 7. Seal. The Chapter shall have a seal of such design as the Board of Directors 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 Directors.

SECTION 8. Use of Funds and Dissolution. The Chapter shall use its funds to accomplish its stated purpose and objectives. Upon dissolution of the Chapter, all of its assets shall be distributed to CAI, or its successor.

SECTION 9. Loss of Charter. This Chapter may be decertified by a vote of the Board of Trustees, as provided in the policies and procedures of CAI. In such event, the Chapter agrees to be bound by the CAI policies.

SECTION 10. Waiver of Notice. Whenever any notice is required to be given under applicable law, the Articles of Incorporation, or these By-Laws, 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 By-Laws of the Chapter 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.

SECTION 12. Notices. Unless otherwise prohibited by these By-Laws or state law, all notices and other communications required by these By-Laws or state law shall be in writing and shall be given by:

- (i) Personal delivery;
- (ii) United States mail, first class, postage prepaid;
- (iii) Statutory overnight delivery;
- (iv) Electronic mail;
- (v) Facsimile; or
- (vi) A secure web site, provided that notice shall be deemed given via web site only upon proof that the addressee has retrieved the message.

ARTICLE XI AMENDMENTS

These By-Laws may be amended, repealed or altered, in whole or in part, by the affirmative vote of two-thirds (2/3) of the members of the entire Board of Directors 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 By-Laws, and must state that a purpose of the meeting is to vote on such proposed amendment, revision or alteration to the By-Laws.