

BY-LAWS OF  
THE KENT ISLAND ESTATES ROAD  
CONSTRUCTION AND MAINTENANCE ASSOCIATION, INC.

Section 1: Name

The name of this organization shall be The Kent Island Estates Road Construction and Maintenance Association, Inc.

Section 2: Membership

Membership in this Association is required and was agreed to by each owner of lot(s), at such time as they purchases such lot(s), in Kent Island Estates. Membership in this Association is expressly forbidden to the Queen Anne Holding Company and/or The Romancoke Holding Company and/or their successor developer.

Section 3: Dues

Membership dues shall not be imposed nor collected from any member of this Association.

Each member of this Association shall pay \$ 10.00 per lot - per year, to the Association for the maintenance and construction of roads in Kent Island Estates. Such payment shall become due and payable on March 1st of each year. Sixty (60) days shall elapse before the payment shall be past due, at which time the Board of Directors by a majority vote shall take whatever action they deem necessary to collect the amount due.

Section 4: Annual Meeting (AMENDED 1/25/70)

The annual meeting of the membership of this Association shall be held on the second Monday of January in each and every year. The annual meeting shall be a general meeting for the election of the Board of Directors and the transaction of any business within the powers of the Association, without special notice of such business, except as may be required by these by-laws, the charter or by statute.

Section 5: Special Meeting(s)

Special meeting(s) of the general membership may be called by the President, the Executive Director (if such an Executive Director has been appointed by the Board of Directors), by a majority of the Board of Directors, if such a request is made

in writing directed to the President or Secretary or by the written request of fifty (50) members in good standing, provided such written request is directed to the President or Secretary. If a special meeting is requested by any of the above means the Secretary shall call a meeting of the general membership, at the Association's expense and in the manner provided by Section six (6) of these by-laws. The notice of any special meeting shall contain the reason(s) for the calling of the meeting and at such meeting only the items set forth in the notice shall come before the meeting.

A notice for a meeting of the general membership having been mailed to the members prior to the acceptance of these by-laws, the requirement for the notification of the business to be conducted is expressly waived. At that meeting, which is now scheduled for August 27, 1969, any business may be brought before the membership.

#### Section 6: Notice of Meeting

Not less than seven (7) days and not more than thirty (30) days written notice shall be given to each member of each annual or special meeting. The notice of each annual or special meeting shall state the place, day and hour of such meeting and in the case of a special meeting the business proposed to be conducted at that meeting. Such notice of an annual or special meeting shall be deemed given when the written notice is mailed to the member at the last known address, as indicated on the records of the Association.

#### Section 7: Quorum for Meeting

At any annual or special meeting of the membership the presence in person of a majority of the members in good standing shall constitute a quorum for the election of Directors or any business that may be placed before the membership. If such a majority is not present at the time and place of the meeting the President or his alternate shall declare the meeting adjourned and shall cause an advertisement to be placed in a County newspaper stating that the meeting has been rescheduled for a day and time no less than ten (10) days nor more than twenty (20) days from the time the advertisement first appears in the newspaper. In no event shall the meeting be held more than thirty (30) days after the originally called meeting. Those members present at the rescheduled meeting shall constitute a quorum for the transaction of any business that may have been placed before the members at the originally called meeting.

In the interest of this Association becoming fully operational the requirement for a quorum as outlined in the above paragraph is expressly waived for the first meeting of the general membership, now called for August 27, 1969. Those members in good standing present at the August 27, 1969 meeting shall constitute a quorum.

## Section 8: Voting

Each member in good standing shall be entitled to one vote for each lot owned in Kent Island Estates. Lots held in joint ownership shall have one vote which, in the case of a dispute between owners such vote shall be divided into equal fractional shares.

The Queen Anne Holding Company and/or The Romancoke Holding Company or their successor developer, shall not have the right to vote lot(s) owned by them as a developer. A successor developer shall be any body that shall control a substantial percentage of the unsold lots, such lots having come into their control and/or ownership from the Queen Anne Holding Company and/or The Romancoke Holding Company and/or their successor.

A member in good standing shall be any member who's road maintenance fees are less than sixty (60) days in arrears. If any member is more than sixty (60) days in arrears his right to vote in this Association shall be forfeit until such time as the amount in arrears is paid.

## Section 9: Order of Business

At all meetings of members the order of business shall be as far as applicable and practical:

1. Reading of the minutes of the previous meeting
2. Reports of officers
3. Reports of standing committees
4. Reports of special committees
5. At any annual meeting or meeting called for the purpose, the election of Directors
6. Unfinished business
7. New business
8. Adjournment

The order of business may be altered or suspended at any meeting by a majority vote of the members in good standing, present. The conduct of any meeting shall be administered by the President or his alternate.

## (AMENDED 1/25/70) Section 10: Election and powers of the Board of Directors

The number of Directors of this Association shall be no less than three nor more than seven. The Board of Directors shall be elected by the members in good standing at the annual meeting. At the first annual meeting of this Association 50% plus one of the Directors shall be elected for a period of one year, the remaining members of the Board shall be elected for a period of two years. At each annual meeting thereafter all Directors

to be elected shall be elected for a period of two years. The number of Directors shall initially be three and can be changed only by a majority vote of the membership eligible to vote at an annual meeting or special meeting called for the purpose.

A member of the Board of Directors shall be a member in good standing of this Association. At such time as any Director shall cease being a member in good standing that Director shall forfeit all rights as a Director until such time as his good standing is re-established.

Consistent with the purposes of the Corporation, the powers of the Board of Directors shall include the power to represent the Association in all matters allowed by these by-laws, the charter or by law. They shall have the authority to do all things necessary to carry out the purposes for which the Association has been formed.

#### Section 11: Election of Officers (Amended 1/25/70)

The Board of Directors shall elect by a majority vote, the officers of the Association, including but not limited to a President, Vice President, Secretary and Treasurer. The offices of Secretary and Treasurer may be held by one person, provided that person shall not act in both capacities in the signing of any document requiring the signing of the Association's officers.

The election of officers of the Association shall take place as soon as possible after the election of a Board of Directors at any annual meeting or special meeting called for that purpose.

#### Section 12: Meeting of the Board of Directors

The Board of Directors shall meet at least once each month at such time and place as is set forth in the notice of such a meeting.

Any member in good standing may request a meeting of the Board of Directors to discuss any situation related to the roads of Kent Island Estates.

A written notice of the place, day and hour of each Board of Directors meeting shall be given to each Director at least seven (7) days prior to that meeting being held, unless

Each Director is personally contacted not less than twenty-four (24) hours prior to that meeting and at that time notified of the place, day and hour.

A majority of the Board of Directors shall constitute a quorum for the conducting of any business brought

before the Board of Directors. If a majority of the Board of Directors is not present at a properly called meeting, the President or his alternate shall reschedule the meeting for a day, hour and place at least three (3) but less than ten (10) days hence and then adjourn the meeting. No notice other than the Presidents announcement shall be required for the rescheduled meeting.

Section 13: Removal and/or Vacancies on the Board of Directors

At any annual or special meeting called for the purpose, the general membership may by a majority vote of the members in good standing, remove a Director from the Board, with or without cause.

Any vacancy that shall exist for any cause shall be filled by a majority vote of the Board of Directors, even if such a remainder shall be less than a quorum. The Director also elected shall serve for the remainder of the unexpired term of the Director being replaced or until the newly elected Director is removed from the Board.

Section 14: Executive Director

The Board of Directors may by a majority vote designate or remove an Executive Director. The Board of Directors may by a majority vote delegate all its powers, of any of them, to an Executive Director, provided that the Board of Directors shall have the right to review the use of the delegated powers and by a majority vote revoke the powers so delegated.

Section 15: Resident Agent

The Board of Directors may by a majority vote designate or remove the resident agent. The duties of a resident agent shall be those designated by the Board of Directors.

Section 16: Compensation

No Director or officer of this Association shall be entitled to any compensation for services rendered. The Executive Director is not considered an officer or member of the Board of Directors.

The Board of Directors may provide compensation to any person, except one of its members or to an officer, for services rendered in connection with the purposes of this Association.

Section 17: Executive Officers  
President

The President shall be a Director of the Association. He shall be the chief executive officer of the Association. He shall when present preside at all meetings of the members and Directors. He shall have general management and direction of the business of the Association and all powers ordinarily exercised by the President of an Association. He shall have the authority to sign and execute in the name of the Association all authorized deeds, mortgages, bonds, contracts or other instruments. He shall annually prepare a full and true statement of the affairs of the Association including an operating statement which shall be submitted at the annual meeting.

Section 18: Executive Officers  
Vice President

The Vice President shall be a Director of the Association. In the absence of the President the Vice President shall perform and shall have all the powers of the President, provided that a resolution of the Board of Directors shall have designated those powers. He shall have all powers ordinarily exercised by the Vice President of an Association.

Section 19: Executive Officers  
Secretary

The Secretary shall keep the minutes of the meetings of the members and the Board of Directors. Such minutes shall be kept in a book provided for that purpose.

The Secretary shall be a Director of the Association. He shall see that all notices are duly given in accordance with the provisions of the by-laws or as required by law. He shall be the custodian of the records and of the corporation seal. He shall see that the corporate seal is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized and when so affixed may attest the same.

Section 20: Executive Officers  
Treasurer

The Treasurer shall be a Director of the Association. He shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Association and shall deposit in the name of the Association all moneys or other valuable effects in such banks or other depositories as shall be selected by the Board of Directors. He shall render to the President and/or the Board of Directors, whenever requested, an account of the financial condition of the Association.

(AMENDED 1/25/70) Section 21: Executive Officers and Board of Directors

All references to an officer and/or Director as "he" is understood to mean either sex.

Section 22: Executive Officers  
Removal and/or Vacancies

The Board of Directors shall have power at any regular or special meeting to remove any officer with or without cause, by a majority vote of the Directors present. Such action shall be conclusive on the officer so removed.

The Board of Directors by a majority vote at any regular or special meeting shall have the power to fill a vacancy occurring in any office for the unexpired portion of the term.

Section 23: Committees

The Board of Directors by a majority vote may create such committees as it deems advisable, provided that at least two members of any committee be a member of the Board of Directors.

Section 24: Negotiable Instruments and Other Evidence  
of Indebtedness

All checks, drafts or orders for the payment of money notes and other evidences of indebtedness, issued in the name of the Association, shall be signed by such officer or officers as may be designated from time to time by resolution of the Board of Directors.

Section 25: Bond (AMENDED 1/25/70)

Any person having the authority to execute any document or documents on behalf of the Association shall be bonded. Cost of such bond shall be bourn by the Association.

Section 26: Amendments

The right to amend these by-laws shall rest with the general membership. A majority vote in favor of the proposed admentment by the members in good standing present at an annual or special meeting called for the purpose, shall constitute passage of the amendment. The proposed change in the by-laws shall be included in the notice of an annual or special meeting.

Section 27: Interpretation

Interpretation of these by-laws shall rest with the Board of Directors and the majority vote of the Board shall be binding on all members.



## BY-LAW AMENDMENTS

Approved at the Annual Meeting Held on January 25, 1970

The amended sections are changed in their total to the following:

### Section 4: Annual Meeting

The annual meeting of the membership of this Association shall be held on the second Saturday of May in each and every year. The annual meeting shall be a general meeting for the election of the Board of Directors and the transaction of any business within the powers of the Association, without special notice of such business, except as may be required by these By-laws, the charter or by statute.

### Section 10: Election and Powers of the Board of Directors

The number of Directors of this Association shall be no less than three nor more than seven. The Board of Directors shall be elected by the members in good standing at the annual meeting. At the first annual meeting of this Association 50%, raised to the next whole number, of Directors shall be elected for a period of one year, the remaining members of the Board shall be elected for a period of two years. At each annual meeting thereafter all Directors to be elected for a period of two years. A year shall be from one annual meeting to the annual meeting of the following calendar year. The number of Directors shall initially be three and can be changed only by a majority vote of the membership eligible to vote at an annual meeting or special meeting called for the purpose.

A member of the Board of Directors shall be a member in good standing of this Association. At such time as any Director shall cease being a member in good standing that Director shall be automatically removed from the Board of Directors and/or as an Officer in this Association.

A member in good standing shall be any member who's road maintenance fees are less than sixty (60) days in arrears. If any member is more than sixty (60) days in arrears his right to vote in this Association shall be forfeit until such time as the amount in arrears is paid.

### Section 11: Election of Officers

The Board of Directors shall elect by a majority vote, the officers of the Association, including but not limited to a President, Vice President, Secretary and Treasurer. The offices of Secretary and Treasurer may be held by one person,

provided that person shall not act in both capacities in the signing of any document requiring the signing of the Association's officers.

The election of officers of the Association shall take place as soon as possible after the election of a Board of Directors at any annual meeting or special meeting called for that purpose.

All officers shall be members in good standing.

Section 21: Executive Officers and Board of Directors

All referances to an officer and/or Director as "he" is understood to mean either sex.

All officers shall be permanent, year round residents of Kent Island Estates.

Section 25: Bond

Any person having been designated in section 24 to execute any document or documents on behalf of the Association shall be bonded in an amount of no less than \$ 20,000.00. Cost of such bond shall be bourn by the Association.

BY-LAWS

KENT ISLAND ESTATES  
ROAD CONSTRUCTION & MAINTENANCE  
ASSOCIATION, INC.

APPROVED: August 8, 1969

AMENDED: January 25, 1970