

Although we believe the following to be a true and faithful rendering of Policy Resolution No 2 of the Heritage Harbour Community Association, Inc., in the case of any conflict, the copy recorded in the Homeowners Depository of the Circuit Court of Anne Arundel County shall prevail.

HERITAGE HARBOUR COMMUNITY ASSOCIATION

POLICY RESOLUTION NO. 2

BOARD OF DIRECTORS POLICIES

(Including corrected and restated Policy Resolution No. 2 [which included Amendments 1, 2 and 3] and Amendment 4)

I. Responsibilities and Authorities of Directors.

A. Scope of Representation. Each Director, in the exercise of his/her official duties, shall represent all of the Heritage Harbour Community Association (HHCA), not just his/her district.

B. Communications with the Association's Attorney.

1. All communications, either written or verbal, by and between the Board and the Association's Attorney shall be considered Privileged: Client/Attorney Work Product and shall not be distributed within or outside the Association until the matter under consideration has been resolved by the Board, or a course of action has been agreed upon, or the matter has been decided by a court of competent jurisdiction. At that time a complete report shall be made to the Membership.

2. Only the President of the Association or his/her delegate shall initiate or receive communications, either written or verbal, by and between the Board and the Association's Attorney.

C. Director's Committee Service. A Director may serve on any committee(s) he or she desires. Any such committee affiliation should be made public when a motion arises involving the committee.

1. Board Committees. A Director should not act as the committee chair. A Director who also is a committee member will not be bound to agree with the committee's recommendations. Committee chairs will serve as liaisons to the Board.

2. Ad Hoc Committees. A Director may attend any meeting of an ad hoc committee of the Board of Directors, but does not have the right to vote at that ad hoc committee meeting unless he/she has been appointed a member of the committee.

II. Meetings of the Board of Directors.

A. Regular meetings. Regular meetings of the Board of Directors will take place on a schedule to be determined at the beginning of each year and announced by the Board. Except that, meetings may be rescheduled by the President upon notification of all Directors and posted on Heritage Harbour Association TV channel at least six days prior to the rescheduled meeting. All regular meetings will be open to members.

1. Order of Business. The order of business for regular meetings is:

- a. Call to order
- b. Consideration of minutes of previous meeting(s)
- c. President's report
- d. Management Agent's report
- e. Treasurer's report
- f. Unfinished business
- g. New business
- h. Floor open for comments
- i. Adjournment

2. Agenda. An agenda will be prepared for each regular meeting and made available to Directors and Members at least five days prior to the scheduled meeting. The agenda shall include:

- a. Minutes of the previous open meeting(s); and
- b. Notification of closed meetings of the Board, if any, which shall include the date of the meeting, the purpose of the meeting and reference to the provision(s) in the Maryland Homeowners Association Act authorizing the closed meeting; and
- c. Report of the President of the Association on his/her activities of general interest to the Board since the previous regular meeting; and
- d. Treasurer's Financial Report; and
- e. Report of the General Manager on significant issues and problems since the previous regular meeting; and
- f. Committee Reports (if any); and
- g. Motions to be considered by the Board; and
- h. Other material relevant to business under consideration by the Board; and
- i. Brief written statements submitted by Members intended for the open-discussion period of the agenda. Written statements may be "qualified" for inclusion in the agenda and the

record by being specific, constructive, and responsible. Statements that criticize for criticism's own sake without constructive suggestion for action, that libel individual members or directors, that are so general as to be insubstantial or that simply request information will be disqualified. However, an effort will be made to provide the writer the opportunity to "qualify" the statement via appropriate modification if the writer wants it included in the record.

3. Reports. Committee reports may be received and attached to the meeting agenda; however, the receipt of a report will not represent acceptance of the report. Oral reports will not be made at the meeting unless previous arrangements have been made with the President.

4. Motions. To be considered, motions must be in writing and included in the agenda.

a. Each motion shall state an action to be taken by the Board of Directors. Accompanying each motion shall be a brief comment to explain the purpose of the recommendation and identify the source of the motion, e.g. name of Director, General Manager, name of Committee.

b. All agenda motions will be introduced at one time, usually by the Chair.

B. Special meetings. Special meetings of the Board of Directors may be called by the President or by the Secretary of the Board of Directors in accordance with Article V, Section 10, of the By-Laws. Special meetings may be closed to attendance by members for reasons provided for in the Maryland Homeowners Association Act. Notice of open special meetings will be posted on Heritage Harbour Community Association TV channel at least two days prior to the meetings giving the date, time, location and purpose of the special meeting. The agenda for special meetings will be limited to the business for which the meeting was called. No other business shall be considered.

C. Conduct of meetings. The following will apply to all meetings of the Board of Directors.

1. Rules of Order. Robert's Rules of Order, The Standard Guide to Parliamentary Procedure, will generally apply.

a. A member of the Board may be appointed as the parliamentarian.

b. The Chair may waive the rules requiring that all Board members address only the Chair, e.g. Board members may question or address one another.

2. Comments from the floor. The Chair must first recognize the person wishing to be heard. Comments must be addressed to the Chair. The Chair then may redirect the statement or question to a Board member. Comments from the floor on motions or other matters will be allowed as follows:

a. First, from those persons who file a written statement in the Lodge office no less than 24 hours before the scheduled meeting. Oral statements by members from the floor who have filed a written statement normally will be limited to three minutes.

b. Second, from others who have not filed a written statement as above. Oral statement by members from the floor who have not filed a written statement normally will be limited to one minute.

3. Decorum. Proper decorum will be observed at all meetings.

a. Speakers must first be recognized by the Chair. Association members on the floor who have filed written comments will be recognized by the Chair in approximately the order in which their comments were received. Members on the floor who have not filed written comments will be recognized by the Chair after all written comments have been heard.

b. To be recognized, a member on the floor should stand or raise his/her hand. The Chair will recognize members in the order in which he/she sees the members who wish to speak. When recognized by the Chair, members should state their name and address for the record. No member will be recognized a second time before all who wish to speak have had their opportunity.

c. Order and civility shall prevail during meetings. Disrespectful, profane, or demeaning language will not be tolerated. Any person who the Chair finds is disorderly or uncivil may be ejected from the meeting.

D. Record of Meetings. A record of each regular and special meeting of the Board of Directors shall be retained in the records of the Association. The record of each meeting shall contain:

1. The minutes of the meeting, which shall be a record of actions taken by the Board during the meeting and which shall contain a notation of the date the minutes were approved and whether any subsequent revisions were made to those minutes; and

2. The agenda for that meeting with its attachments and statements; and

3. Any other written statement that was read and/or considered during the meeting, but was submitted after the agenda was published; and

4. Any other material that the President of the Association shall deem to be necessary to complete the record of the meeting.

E. Presiding Officer.

1. The President of the Association shall preside over all regular and special meetings of the Board, and in his/her absence the Vice President shall preside.

2. In the absence of both the President and Vice President, the Secretary, or in the absence of the Secretary one of the Directors present, shall call the meeting to order and the Board shall appoint one of the Directors present to preside over that meeting of the Board.

III. Officers of the Association.

A. Officers of the Association are the President, Vice President, Secretary and Treasurer, with duties as stated in Article VI of the By-laws of the Association.

B. The Board of Directors shall elect Officers of the Association at an organizational meeting held within ten (10) days following each annual election of Directors. At the organizational meeting, the Chair will call for nominations from the Board for each office, in turn. No seconds will be needed. The President shall be the first office filled, followed by the Vice President, Secretary and Treasurer. The following procedures shall be followed for the election of each officer.

1. No nomination will be debated.

2. After all nominations have been made a vote will be conducted for each office in turn with each Director casting his/her vote for one candidate.

3. Ballots will be written, secret and passed to the Management Agent for reading and recording. The Management Agent will announce the vote of each individual ballot as opened, tally totals for each candidate and announce the final result.

4. If no one candidate receives a majority of votes, a run-off vote will be conducted for that office between the two candidates receiving the largest number of votes.

5. In the event that two candidates are tied for one of the run-off places, a run-off election will be conducted first with the winner participating in the final run-off election.

6. In the event that three candidates are tied for the run-off places, a run-off election will be conducted between the first two candidates nominated. The winner of that election will then face the third candidate in a final run-off election.

C. Upon the resignation or removal of any officer, the Board of Directors shall elect a replacement at a regular or special meeting called for that purpose. The above procedures, as applicable, shall be followed.

D. Officers are expected to attend all meetings of the Board of Directors.