

National Community Land Trust Network
Bylaws

As proposed by the Interim Board Executive Committee, May 1, 2006

ARTICLE I: NAME AND PURPOSE

1. **Name.** The name of this organization shall be the National Community Land Trust Network, hereinafter referred to as the “Corporation.”
2. **Purpose.** The purpose of the Corporation shall be to support and enhance the charitable efforts of its member organizations, including the efforts of these members to:
 - a. Create and preserve affordable housing for low-income people.
 - b. Combat community deterioration in economically disadvantaged neighborhoods by promoting the development, rehabilitation, and maintenance of decent housing in these neighborhoods; by promoting economic opportunities for residents of these neighborhoods; and by making land available for projects and activities that improve the quality of life in these neighborhoods.
 - c. Provide information to local residents regarding issues of affordable housing and community development.
 - d. Lessen the burdens of government by entering into agreements to preserve the affordability of housing made affordable through government subsidies or government policies.
 - e. Protect the natural environment and promote the ecologically sound use of land and natural resources and the long-term health and safety of the community.
3. **Means of achieving purpose.** The Corporation shall support the charitable efforts of its members by means that include but are not limited to the following:
 - a. Organizing conferences and training events for member organizations and individuals interested in the activities of members organizations.
 - b. Promoting public understanding and support of the goals and activities of the member organizations.
 - c. Providing information and technical assistance to member organizations and to groups seeking to create new organizations that may become members.
 - d. Providing or channeling financing to member organizations to enhance their ability to achieve their purposes.

ARTICLE II: MEMBERSHIP

1. **Membership.** Subsequent to the first annual meeting, the Members of the Corporation, with full voting rights, shall be all those organizations that the Membership Committee (as described in Article V below) has certified as meeting the membership criteria stated in Section 2 of this Article and that have paid the dues required for the year in question.

- 2. Membership Criteria.** An organization shall qualify for membership if:
- a. it was a member in good standing of the CLT Affiliate Network as of December 31, 2005, or
 - b. it has the key features of either a Classic CLT or CLT Variation as described in the following table.

KEY FEATURES	CLT CLASSIC*	CLT VARIATIONS
PURPOSE	A CLT has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, with a primary purpose of meeting the needs of “charitable” populations.	The organization has among its purposes the provision of decent housing that is affordable to low-and moderate income populations whose housing needs are not being met by the private market.
CORPORATE STATUS	A CLT is a private, nonprofit corporation that: (i) has a 501(c)(3) or (4) tax exemption; (ii) is not sponsored by a for-profit organization; and (iii) reserves no more than a third of its board for appointees or employees of a local government.	The organization is a private, nonprofit corporation that is not sponsored by a for-profit organization.
LAND OWNERSHIP	A CLT acquires parcels of land that are: (i) owned in perpetuity by the CLT; and (ii) conveyed under long-term ground leases.	The organization acquires parcels of land that are either: (i) owned in perpetuity by the organization and conveyed under long-term ground leases; or (ii) sold to another party subject to deed covenants regulating the land’s use and resale in ways similar to a CLT ground lease.
HOME OWNERSHIP	For owner-occupied housing, a CLT transfers ownership of structural improvements that are located on leased parcels of land to homeowner/lessees.	For owner-occupied housing, the organization transfers ownership of structural improvements located either on land that is leased from the organization or on land that is sold to another party, subject to deed covenants. Alternatively, the organization retains ownership of both the land and improvements, but conveys to the housing’s occupants essential rights and responsibilities of homeownership using a long-term, inheritable lease.
PERMANENT AFFORDABILITY	A CLT retains a preemptive option to purchase any structural improvements at a price determined by formula that is designed to ensure the improvements remain affordable to low-and moderate-income persons in perpetuity.	The organization controls the resale of residential property through a durable contractual mechanism designed to ensure such property remains affordable to low-and moderate-income persons in perpetuity.
SERVICE AREA	A CLT serves any particular geographic area specified in the bylaws of the organization.	The organization serves any particular geographic area specified in the organization’s bylaws or in policies adopted by the organization’s board of directors.
CORPORATE MEMBERSHIP	A CLT has a corporate membership that is open to any adult resident of its service area	The organization is structured and operated to remain directly accountable to the residents of

	and to any other class of members defined in the organization's bylaws.	its service area.
BOARD COMPOSITION	A CLT's board of directors is composed of equal numbers of: (i) lessees; (ii) corporate members who are not lessees; and (iii) any other category of persons described in the bylaws of the organization.	Included among the organization's directors, making up at least a third of the board, are representatives of the population being served by the organization's projects and programs.
BOARD SELECTION	A majority of the directors on a CLT's governing board are elected by the corporate membership.	The directors of the organization's governing board may be elected by the corporate membership or by other members of the board, as long as some structure exists to ensure the board's accountability to the residents of its service area.

3. Requirements for Continuing Membership. To maintain membership beyond the first year of membership an organization must continue to operate in accordance with the membership criteria and must pay dues as assessed from year to year. If there is a question as to whether an organization is continuing to operate in accordance with the membership criteria, the Membership Committee shall request that the organization provide evidence that it is operating in accordance with these criteria. If the Committee determines that the organization is no longer operating in accordance with these criteria, it shall recommend to the Board of Directors that the organization's membership status be cancelled. To become effective, cancellation of membership must then be approved by a vote of at least two thirds of the Directors present and voting, a quorum being assembled, at a duly convened meeting of the Board of Directors.

4. Membership Dues

- a. *Establishment of Dues Structure.* A dues rate schedule (to determine the dues to be charged to each member for a calendar year) shall be recommended to the Membership by the Board of directors prior to the Annual Membership Meeting that precedes the year in question. The dues rate schedule for the year in question shall then be established by an affirmative vote of a majority of the Members present and voting at such Annual Membership Meeting. If no such action is taken to establish dues for a given year, the dues for that year shall be as established for the previous year.
- b. *Payment of Dues.* Except in the case of the First Annual Membership Meeting, if a member organization has not paid its dues in full before the Annual Membership Meeting in a given calendar year, that organization shall not be entitled to vote in such meeting

5. Rights of Members.

- a. *Voting.* Each Member Organization in good standing shall have the right to cast one vote on all matters properly put before the membership for consideration.
- b. *Nomination and Election of Directors.* Each Member Organization shall have the right to participate in the nomination and election of Directors as provided in Article

III below.

- c. *Notices, Minutes, Reports.* Each Member Organization shall receive notices and minutes of Membership Meetings and annual reports of the Corporation.
- d. *Corporate Decisions Requiring Assent of the Membership.* The assent of the membership, in accordance with these Bylaws, shall be required before action may be taken regarding the assessment of membership dues, the amendment of the Certificate of Incorporation or these Bylaws, and the dissolution of the Corporation.

6. Membership Meetings.

- a. *Notice of Meetings.* Written notice of every Membership Meeting shall be given to all Member Organizations and shall include an agenda for the meeting. Except as otherwise provided in Article VIII of these Bylaws, notice shall be mailed or emailed at least fifteen days prior to a meeting.
- b. *Annual Meetings.* The location and time of the Annual Membership Meeting shall be determined by the Board of Directors. Notice of the Annual Meeting shall include a list of those persons nominated for the Board of Directors as provided in Article III of these Bylaws and any recommendation from the Board of Directors regarding the dues rate schedule.
- c. *Special Meetings.* Special Membership Meetings may be called by the Board of Directors or by a written request, addressed to the President of the Corporation, from at least one tenth (10%) of the Members then in good standing. At a Special Meeting, only those matters stated on the agenda, as included in the notice of the meeting, may be acted upon by the Membership.
- d. *Minutes.* Minutes of all Membership Meetings shall be recorded by the Secretary of the Corporation or by another person designated by the Board of Directors. Minutes for every meeting shall be approved by the Membership at the next Membership Meeting.
- e. *Submission of Votes Prior to Meetings.* Whenever the agenda of a membership meeting calls for a vote to fill seats on the Board of Directors or to decide any of those questions identified in Section 4-d above as requiring the assent of the membership, those member organizations that do not expect to be directly represented at such meeting may submit their votes regarding such elections or decisions by mail, email, or on line, in accordance with guidelines established by the Board of Directors for the meeting in question. To be counted, such votes must be received in the form directed by the Board of Directors at least three days prior to the day of the meeting.
- f. *Voting Representatives.* Each member organization participating in a Membership Meeting shall identify one person in attendance who shall be designated Voting Representative and shall be authorized to cast votes for that member organization in elections of Directors and votes on other questions brought before the membership. Such Voting Representatives shall be obliged to vote as instructed by the Board of Directors of his or her organization or as instructed by a caucus of other persons affiliated with that organization who are in attendance at the meeting. Notwithstanding the foregoing, any number of persons affiliated with a member

organization may be present at the meeting and shall have the right to express their personal views when recognized by the Chair.

- g. *Quorum.* A quorum shall require that at least one third of all Member Organizations then in good standing, as determined by the Secretary of the Corporation, be represented either by the presence at the meeting of a Voting Representative or by a vote cast prior to the meeting in accordance with Section 5-e above.
- h. *Decision-Making.* Decisions shall be made by an affirmative vote of the majority of the member organizations voting, a quorum being established, except as otherwise provided in these Bylaws. If there is a question as to whether a majority of the member organizations voting favor a motion, then, upon the request of any Member, the Secretary shall call the roll of member organizations, whereupon the Voting Representative of each member organization present shall voice its vote and the Secretary shall read the votes cast by other member organizations prior to the meeting.

ARTICLE III: BOARD OF DIRECTORS

- 1. **Number of Directors.** Except for the initial Board named in the Certificate of Incorporation, the Board of Directors shall consist at all times of not less than nine and not more than fifteen Directors. However, the Membership and the Board of Directors shall take the steps necessary in accordance with these Bylaws to maintain a board consisting of a total of thirteen directors, consisting of regional and at-large representatives as provided below.
- 2. **Regional Representatives.** The Board shall normally include one director elected to represent each of five regions. The regions shall be identified as Northwest, Southwest, Central, Southeast, and Northeast. The Board of Directors shall establish policies defining the boundaries of the regions or identifying the states included in each region.
 - a. *Nomination of Regional Representatives.* Any member organization in good standing or any formally organized group of member organizations within a region may nominate a candidate to represent the region in which the member organization or group of organizations is located. To make such nomination, a member organization or group shall, after determining that a prospective nominee is willing and able to serve on the Board of Directors, submit the name of the nominee, together with a brief description of the nominee's organizational affiliation and relevant experience, to the Nomination Committee, as defined in Article V below, at least one month prior to the Annual Membership Meeting in which the election in question is to be held. In the absence of or in addition to such nominations, the Nomination Committee may (i) consult, in so far as possible, with member organizations in that region regarding possible nominees, (ii) consult with potential nominees regarding their willingness and ability to serve, and (iii) by its own action place the name of one or more candidates in nomination to represent that region. At least two weeks before the election in question, the Nomination Committee shall distribute (by mail or email) to each member organization in each region a list of all candidates nominated to represent that region, together with brief descriptions of the

affiliation and experience of those nominated. Nominations from the floor at the Annual Membership Meeting shall not be recognized.

- b. *Election of Regional Representatives.* Regional representatives shall be elected by the member organizations located within the region in question, by votes cast either prior to the Annual Membership Meeting in accordance with Section II-5-e above or at the Annual Membership Meeting. In either case, the ballot used for the election of a region's representative shall list the names of all nominees for that region and shall be distributed to each member organization from that region. The method of voting shall be the method known as "instant run-off." Ballots shall be marked to rank the nominees in the order of the member organization's preference, assigning to the member's "first choice" a number of points equal to the total number of candidates, then assigning to the member's second choice a number of points equal to the total number of candidates minus one, and so on until the nominee least favored by the member is assigned only a single point. All ballots shall then be collected and the total number of points awarded to each candidate shall be determined. If one candidate has received a majority of the "first choice votes," that candidate shall be deemed the winner. If no candidate has received a majority of "first choice votes," the candidate with the largest total number of points shall be deemed the winner.

3. At Large Directors. The Board of Directors shall normally include eight at-large directors.

- a. *Nomination of at-large directors.* The Nomination Committee, as defined in Article V below shall nominate candidates for the at-large board seats. In making its nominations the Committee shall consider the following priorities:
 - i. the priority of providing additional representation on the Board of Directors for regions containing larger numbers of member organizations;
 - ii. the priority of achieving a board of directors that is diverse as to gender, race and ethnicity;
 - iii. the priority of providing for significant representation of people who lease and/or own and occupy homes through member organizations;
 - iv. the priority of ensuring that an appropriate range of skills and experience is present in the Board.

Any five or more member organizations may collectively submit a petition to the Nomination Committee requesting the Committee to nominate one or more specifically identified persons as candidates for at-large director. Providing such petition is received at least one month prior to the Annual Membership Meeting in which the election in question is to be held, the Nomination Committee shall include the specifically identified persons among its nominees. Nominations from the floor at the Annual Membership Meeting shall not be recognized.

- b. *Election of at-large directors.* At-large directors shall be elected by a vote of the member organizations cast either prior to the Annual Membership Meeting in accordance with Section II-5-e above or at the Annual Membership Meeting. The method of voting shall be the method known as "instant run-off," as described in Section III-2-b above.

4. Election to Fill Vacancies. If any Director vacates his or her term or is removed from the Board, the remaining Directors may elect a person to fill the vacancy, or may, by unanimous agreement, decide to leave the position vacant until the next Annual Meeting of the Membership, provided the Board still includes at least nine Directors. Elections to fill vacancies shall be by a majority of the remaining Directors. Replacement Directors elected by the Board shall serve out the remaining term of the person who has vacated the position.

5. Terms of Directors.

- a. Terms of First Elected Directors.* After the election of Directors at the first Annual Membership Meeting, each Director shall be assigned, by mutual agreement or by lot, to a one-year or two-year term. Two of the Regional Representatives shall be assigned one-year terms; three Regional Representatives shall be assigned three-year terms. Four of the at-large Directors shall be assigned one-year terms and four shall be assigned two year terms
- b. Terms of Successor Directors.* Except as otherwise provided in these Bylaws, each Director shall serve a full term of two years.
- c. Commencement of Terms.* The term of office of a regularly elected Director shall commence at the adjournment of the Annual Membership Meeting in which he or she is elected. The term of office of a Director elected by the Board to fill a vacancy shall begin at the time of his or her acceptance of the position.
- d. Re-election.* No person shall serve as a Director for more than four consecutive elected terms. After a year's absence from the Board, a person who has previously served four consecutive elected terms may return to the Board, if reelected, and may again serve up to four consecutive elected terms.

6. Resignation. Any Director may resign at any time by giving written notice to the President. Unless otherwise specified, such resignation shall be effective upon the receipt of notice by the President.

7. Meetings of the Board of Directors.

- a. Annual Meeting.* The Annual Meeting of the Board of Directors, for the election of officers and such other business as may require attention, shall be held immediately following the Annual Membership Meeting.
- b. Other Meetings.* Meetings other than the annual meeting of the Board may be held at any time, in person or by teleconference, provided that all directors are given notice by email or other means at least two weeks prior to the meeting.
- c. Quorum.* At any meeting of the Board, a quorum shall consist of a majority of the Board of Directors.
- d. Decision-Making.* The Board shall attempt to reach unanimous agreement on all decisions. In the event that unanimous agreement cannot be achieved, a decision may be made by a majority of the Directors present and voting, except as otherwise provided in these Bylaws.
- e. Decisions Outside of Meetings.* In the event that the Board is required to take action

on some matter in circumstances where it is impossible to convene a meeting within the timeframe in which action is required, a vote may be taken by email or on line. In such case, a decision shall require the support of a majority of the entire board.

- f. *Minutes.* Minutes of all Board meetings shall be recorded by the Secretary or by such other person as the Board may designate, and shall be approved by the Board at the next Board meeting. All minutes of Board meetings shall be kept on permanent record by the Corporation and shall be open for inspection by any Member of the Corporation.

8. Duties of the Board of Directors. The Board of Directors shall carry out the purposes of the Corporation, implement the decisions of the Membership, and be responsible for the general management of the affairs of the Corporation in accordance with these Bylaws. Specifically, the Board shall:

- a. Approve a written annual report to the membership, and make this report available to all members. This report shall include a summary of the Corporation's activities during the previous year and the Corporation's most recent financial reports.
- b. Adopt an annual operating budget prior to the beginning of each fiscal year, and thereafter approve any amendments to the budget or expenditures not included in the budget.
- c. Select all officers of the Corporation.
- d. Supervise the activities of all officers, agents, and committees of the Corporation in the performance of their assigned duties and investigate any possible conflicts of interest within the Corporation.
- e. Adopt and implement personnel policies providing for the hiring, supervision, and evaluation of employees.
- f. Provide for the deposit of funds in accordance with Article VIII of these Bylaws.
- g. Determine by whom and in what manner deeds, leases, contracts, checks, drafts, endorsements, notes and other instruments shall be signed on behalf of the Corporation.
- h. Develop the resources necessary for the operation of the Corporation.
- i. Assure the sound management of the Corporation's finances.

9. Powers of the Board of Directors. In addition to the power to carry out the duties enumerated above, the Board of Directors shall have the power to:

- a. Appoint and discharge advisors and consultants.
- b. Approve the borrowing and lending of money as necessary to further the purposes of the Corporation and in accordance with section VIII,4 of these Bylaws.
- c. Exercise all other powers necessary to conduct the affairs and further the purposes of the Corporation in accordance with the Certificate of Incorporation and these Bylaws.

10. Conflict of Interest. Any member of the Board of directors who has a financial interest in any matter that is likely to be brought before the Board – or whose parent, spouse, child, partner, employer or similar related business entity has such an interest – shall disclose such interest to the Board without delay. No member of the Board of Directors

shall vote on any matter in which such Director or any parent, spouse, child, partner, employer or similar related business entity has a substantial interest in any property or business that would be substantially affected by such action.

ARTICLE IV: OFFICERS

- 1. Designation.** The officers of the Corporation shall be: President, Vice President, Secretary, and Treasurer.
- 2. Election.** The officers of the Corporation shall be elected by a majority vote of the Board of Directors, from among themselves, at the Annual Meeting of the Board. Any vacancies occurring in any of these offices shall be filled by the Board for the unexpired term.
- 3. Tenure.** The officers shall hold office until the next Annual Meeting of the Board after their election, unless, before such time, they resign or are removed from their offices, or unless they resign or are removed from the Board of Directors. Any officer who ceases to be a member of the Board of Directors shall thereby cease to be an officer. The officers shall serve at the pleasure of the Board of Directors and may be removed from office at any time by an affirmative vote of two thirds of the entire Board of Directors.
- 4. Duties of the President.** The President shall:
 - a. Preside at all meetings of the Board of Directors and the Membership when able to do so.
 - b. Consult with the other officers and the committees of the Corporation regarding the fulfillment of their duties.
 - c. Assure that an agenda is prepared for every meeting of the Membership and the Board of Directors.
 - d. Perform such other duties as the Board of Directors may assign.
- 5. Duties of the Vice President.** The Vice President shall:
 - a. Perform all duties of the President in the event that the President is absent or unable to perform these duties.
 - b. Assure that up-to-date copies of these Bylaws (incorporating any duly approved amendments) are maintained by the Corporation; answer all questions from the Board regarding these Bylaws; and assure that all actions of the Membership and Board of Directors comply with these Bylaws.
 - c. Perform such other duties as the Board of Directors may assign.
- 6. Duties of the Secretary.** The Secretary shall:
 - a. Assure that a list of all Members and their contact information is maintained by the Corporation.
 - b. Assure that proper notice of all meetings of the Membership and the Board of Directors is given.

- c. Assure that motions and votes in meetings of the Membership and Board are accurately represented to those present and are accurately recorded in the minutes.
- d. Assure that minutes of all meetings of the Membership and the Board of Directors are recorded and kept on permanent record.
- e. Perform such other duties as the Board of Directors may assign.

7. Duties of the Treasurer. The Treasurer shall oversee the finances of the Corporation. Specifically, the Treasurer shall:

- a. Assure that the financial records of the Corporation are maintained in accordance with sound accounting practices.
- b. Assure that funds of the Corporation are deposited in the name of the Corporation in accordance with these Bylaws.
- c. Assure that all deeds, title papers, leases, and other documents establishing the Corporation's interest in property and rights in particular matters are systematically and securely maintained.
- d. Assure that all money owed to the Corporation is duly collected and that all gifts of money or property to the Corporation are duly received.
- e. Assure the proper disbursement of such funds as the Board of Directors may order or authorize to be disbursed.
- f. Assure that accurate financial reports (including balance sheets and revenue and expense statements) are prepared and presented to the Board at the close of each quarter of each fiscal year.
- g. Assure that such reports and returns as may be required by various government agencies are prepared and filed in a timely manner.
- h. Assure that an annual operating budget is prepared and presented to the Board for its approval prior to the beginning of each fiscal year.

ARTICLE V: COMMITTEES

1. Membership Committee. The Membership Committee shall consist of four members who are appointed by the President with the advice and consent of the Board of Directors. Two of the four members shall be directors and two of the members shall be non-directors. The Committee shall meet, in person or by teleconference, as needed to carry out its duties. The duties of the Committee shall be to act upon applications for membership in the Corporation and upon any questions raised regarding continuing membership in the Corporation as provided in Article II of these Bylaws.

2. Nominations Committee. The Nominations Committee shall consist of four members who are appointed by the President with the advice and consent of the Board of Directors. Two of the four members shall be directors and two of the members shall be non-directors. The Committee shall meet, in person or by teleconference, as needed to carry out its duties. The duties of the Committee shall be to carry out the duties relating to the nominations of directors as these duties are defined in Article III of these bylaws.

- 3. Other Committees.** Other committees may be created by the Board of Directors in such form and for such purposes as the Board may determine to be useful and appropriate. Once such committees have been established by the Board, their members shall be appointed by the President with the advice and consent of the Board.

ARTICLE VI: AMENDMENT OF CERTIFICATE OF INCORPORATION AND BYLAWS

The Certificate of Incorporation may be amended and these Bylaws may be amended or may be repealed and new Bylaws adopted only by:

1. An affirmative vote by two thirds of the entire Board of Directors at any Board meeting, provided that written notice of such meeting has set forth the proposed amendment or replacement, with appropriate explanations thereof; and
2. An affirmative vote by two thirds of the Members present at a Membership meeting, a quorum being assembled, provided that written notice of such meeting has set forth the proposed amendment or replacement, with appropriate explanations thereof.

ARTICLE VII: DISSOLUTION

A decision to dissolve the Corporation and to distribute the Corporation's assets in a particular manner in accordance with the Certificate of Incorporation shall require:

1. An affirmative vote by two thirds of the entire Board of Directors at any Board meeting, provided that written notice of such meeting has included a full description of the plan of dissolution; and
2. An affirmative vote by two thirds of the Members of the Corporation present at a Membership meeting, a quorum being assembled, provided that written notice of such meeting, including a full description of the proposed plan of dissolution, has been given to all Members of the Corporation no later than three weeks prior to the meeting.

ARTICLE VIII: MISCELLANEOUS PROVISIONS

- 1. Fiscal Year.** The fiscal year of the Corporation shall begin on January 1 of each year, and shall end on December 31 of each year.
- 2. Deposit of Funds.** All funds of the Corporation not otherwise employed shall be deposited in such banks, trust companies, or other reliable depositories as the Board of Directors from time to time may determine.
- 3. Checks, etc.** All checks, drafts, endorsements, notes and evidences of indebtedness of the Corporation shall be signed by such officers or agents of the Corporation and in such

manner as the Board of Directors from time to time may determine. Endorsements for deposits to the credit of the Corporation shall be made in such manner as the Board of Directors from time to time may determine.

- 4. Loans.** No loans or advances shall be contracted on behalf of the Corporation, and no note or other evidence of indebtedness shall be issued in its name, except as authorized by the Board of Directors. Any such authorization shall relate to specific transactions.
- 5. Contracts.** Any officer or agent of the Corporation specifically authorized by the Board of Directors may, on behalf of the Corporation, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board of Directors. Without the express and specific authorization of the Board of Directors, no officer or other agent of the Corporation may enter into any contract or execute and deliver any instrument in the name of the Corporation.
- 6. Indemnification.** Any person (and the heirs, executors and administrators of such person) made or threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was a Director or Officer of the Corporation shall be indemnified by the Corporation against any and all liability and the reasonable expenses, including attorneys' fees and disbursements, incurred by him or her (or his or her heirs, executors, or administrators) in connection with the defense or settlement of such action, suit, or proceeding, or in connection with any appearance therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such Director or Officer is liable for negligence or misconduct in the performance of his or her duties.

ARTICLE IX: INITIAL MEMBERSHIP AND BOARD, ADOPTION OF BYLAWS, FIRST ANNUAL MEETING

This article shall have no further force or effect after the first annual meeting of the membership has been held, bylaws have been adopted, and the first election of directors has been held in accordance with the provisions of this article.

- 1. Initial Membership.** The Initial Members empowered to vote at the First Annual Membership Meeting shall be those organizations that can reasonably be expected to meet the criteria for membership as stated in Article II of these Bylaws, and that are represented at the First Annual Membership Meeting by Voting Representatives as defined in Article II of these Bylaws.
- 2. Initial Board of Directors.** The Initial Board of Directors shall be as stated in the Certificate of Incorporation. The Initial Board, after approving these Bylaws, shall call the First Annual Membership Meeting, and shall serve until the first elected Board of Directors has been seated upon the completion of the First Annual Membership Meeting.
- 3. Adoption of Bylaws.** Adoption of these Bylaws as the Bylaws of the Corporation shall

require:

- a. Approval by at least two thirds of the Initial Board of Directors prior to the First Annual Meeting; and
- b. Ratification by two thirds of the Initial Members present and voting at the First Annual Meeting.

- 4. Nomination of Directors to Be Elected at First Annual Meeting.** The Initial Board of Directors shall solicit nominations for Regional Representatives from potential member organizations. Any such organization or any formally organized group of member organizations within a region may nominate a candidate to represent the region in which the member organization or group of organizations is located. To make such nomination, a member organization or group shall, after determining that a prospective nominee is willing and able to serve on the Board of Directors, submit the name of the nominee, together with a brief description of the nominee's organizational affiliation and relevant experience, to the Nomination Committee not later than May 31, 2006. In the event that no nominations have been received by this date for a given region, the Nomination Committee shall then nominate one or more candidates for that region.

In their responses to the Nomination Committee, potential member organizations may also suggest possible nominees for at-large director seats. The Nomination Committee shall then nominate at least eight candidates for at-large director seats. In nominating these candidates, the Initial Board shall consider the priorities stated for such nominations in Section III(3) of these Bylaws. The Committee shall also consider any suggestions received from potential member organizations but shall not be obliged to nominate all such suggested candidates. Prior to the First Annual Meeting, the Committee shall send its full list of nominees for both regional and at-large board seats to all potential member organizations. Additional nominations for either regional or at-large directors shall not be permitted from the floor at the First Annual Meeting.

- 5. Election of Directors at First Annual Meeting.** Except for the fact that no voting shall have taken place prior to the First Annual Membership Meeting, the election of Regional and At-Large Representatives shall be conducted at that meeting in accordance with the provisions for election of such representatives in Sections III(2b) and III (3b) respectively.
- 6. Recommendation of Dues Rate Schedule.** The initial Board of Directors shall recommend a dues rate schedule for the Corporation's first year of operation to be considered for approval by the Initial Members in the First Annual Membership Meeting.
- 7. First Annual Membership Meeting.** The First Annual Meeting of the Membership, for the ratification of these Bylaws, the election of Directors, the assessment of membership dues, and the transaction of other business, shall be held in Boulder, Colorado, in July of 2006. The exact location and time of the First Annual Membership Meeting shall be determined by the Initial Board of Directors. Notice of the First Annual meeting shall be mailed or emailed to all persons who register for the National Community Land Trust Conference to be held in Boulder, Colorado July 12 – 15, 2006, and any other persons

who express an interest in attending the First Annual Meeting as representatives of an Initial Member. Such notice shall include a list of those persons nominated for the Board of Directors in accordance with section 4 of this Article, a copy of these Bylaws as approved by the Initial Board, and the dues rate schedule recommended by the Initial Board. Except as otherwise provided in this Article, the election of Directors and other business of the First Annual Membership Meeting shall be conducted in accordance with Articles II and III of these Bylaws.