

RESTATED BYLAWS OF

Community Associations Institute – New Mexico Chapter

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BYLAWS OF
Community Associations Institute – New Mexico

These Bylaws are made for the purpose of managing the affairs of the Community Associations Institute – New Mexico Chapter, a New Mexico nonprofit corporation, established pursuant to the Articles of Incorporation of this Corporation.

ARTICLE I
NAME AND OFFICE

SECTION 1. **Name.** The name of this organization shall be the Community Associations Institute – New Mexico Chapter (hereinafter, the “Chapter”).

SECTION 2. **Incorporation; Registered Office.** The Chapter is a corporation, incorporated in the state of New Mexico and is a chapter of Community Associations Institute (hereinafter, the “CAI”).

ARTICLE II
DEFINITIONS

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 III, Section 3.
- 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 Mexico 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 Bylaws and such rules, procedures, and limitations as may be established by the Board of Trustees from time to time. The Board of Trustees shall have the right to determine the appropriate class of membership for any member.

SECTION 2. Conflict of Interest. All Board of Trustees members, Legislative Action Committee members, members of Membership Representation Groups, Committee members, and Chapter board 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 four classes. Membership in any class shall be in accordance with these Bylaws and the areas of specialization determined by the Board of Trustees.

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. Business partner members shall be entitled to cast one vote on any and all

matters required to be voted upon by the members and shall have such other rights, privileges and responsibilities as they Board of Directors may determine from time to time provided those rights and privileges are consistent with those determined by the Board of Trustees. The primary contact for the business partner membership may have the right to cast a vote or the right to designate one individual from the company to cast a vote.

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. 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 may determine from time to time; provided, those rights and privileges are consistent with those determined by the Board of Trustees. Except as otherwise provided in these Bylaws, each Member shall be eligible to serve on CAI and Chapter committees and boards, including the Board of Directors and the Board of Trustees.

SECTION 5. Suspension for Nonpayment of Dues. The Board of Directors has the power to suspend Members for nonpayment of dues, Members in accordance with the Chapter Bylaws.

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 shall be paid to CAI in advance of the 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 MEETINGS 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 regular annual meeting of the Chapter shall be held during the month of September, or as determined by the Board of Directors by resolution, each year with the date, hour and place to be set by the Board of Directors.

SECTION 2. Special Meetings. Special meetings of the Members may be called for any purpose at any time by the President, the Secretary, or by request of any two (2) or more members of the Board of Directors, or upon written petition of twenty-five (25%) percent of the Members. Any such written petition by the Members must be submitted to the Chapter's Secretary. The Secretary shall then verify that the required number of Members have joined in the petition and shall submit all proper petitions to the

Chapter's President. The President shall then promptly call a special meeting for the purpose stated in the petition; and the Secretary shall send notice of the meeting in accordance with these Bylaws.

SECTION 3. Notice of Meetings. It shall be the duty of the Secretary to email, mail or to deliver to each Member at the last address shown on the Chapter's records, a notice of each annual or special meeting of the Chapter at least ten (10) days prior to each annual or special meeting.

The notice shall state the purpose of any special meeting as well as the date, time, and place which it is to be held. The notice of an annual meeting shall state the date, time, and place of the meeting. The mailing or delivery of a notice of a meeting in the manner provided in this Section shall be considered proper service of notice.

SECTION 4. Waiver of Notice. Waiver of notice of meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Chapter, either before or after such meeting. Attendance at a meeting by any Member, whether in person or represented by proxy, shall be deemed waiver by such Member of notice of the time, date, and place thereof unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

SECTION 5. Quorum. Except as may be provided elsewhere, the presence of Members, in person or by proxy, entitled to cast 20% of the votes of the Chapter shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished.

SECTION 6. Adjournment. Any meeting of the Chapter may be adjourned from time to time for periods not exceeding ten (10) days by vote of the Members holding the majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business which could be transacted properly at the original session of the meeting may be transacted at a reconvened session, and no additional notice of such reconvened session shall be required.

SECTION 7. Proxy. Any Member entitled to vote may do so by written proxy duly executed by the Member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies may be delivered by personal delivery, U.S. mail, standard overnight delivery, facsimile transmission, electronic transmission or any other form of communication approved by the Board of Directors to any Board member or the Chapter Executive Director. Proxies may be revoked only by written notice delivered to any Board member. The presence in person by the giver of a proxy at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

SECTION 8. Action Without a Meeting. Any action that may be taken at any annual, regular, or special meeting of Members may be taken without a meeting if the Chapter delivers a written ballot to every Member entitled to vote on the matter. Written ballot shall mean a written document, email or electronic transmission or other form of communication selected by the Board of Directors to be used for any such action.

- A. A written ballot shall:
 - 1. Set forth each proposed action; and
 - 2. Provide an opportunity to vote for or against each proposed action.

- B. Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.
- C. All solicitations for votes by written ballot shall:
 - 1. Indicate the number of responses needed to meet the quorum requirements;
 - 2. State the percentage of approvals necessary to approve each matter other than election of directors; and
 - 3. Specify the time by which a ballot must be received by the Chapter in order to be counted.
- D. A written ballot may not be revoked. The Chapter shall maintain such ballots in its file for a period of at least three (3) years.

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 determine the policies of the Chapter, shall actively pursue the purposes and objectives of the Chapter and CAI, shall insure that the Chapter and its Bylaws comply with the policies and procedures of CAI, and shall have discretion in the use and disbursement of Chapter funds. 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 Bylaws, 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.

The Board of Directors shall be composed seven (7) Directors. No more than one person from any company may serve on the Board at any one time. Directors must represent Membership Representation Groups as determined by the Board of Trustees and shall include one (1) Community Association Volunteers, two (2) Community Association Managers, two (2) Business Partners, and two (2) At-Large Members.

SECTION 3. Term of the Board. The term of office of one-third (1/3) (or a fraction as near to 1/3 as possible) of the Directors shall expire at each annual meeting. Each Director shall serve for a three-year term. If the aggregate number of Directors is changed, terms shall be established so that 1/3 (or a fraction as near to 1/3 as possible) of the total number of Directors is elected each year. No person may serve more than two consecutive three-year terms as a Director. Any portion of a term shall constitute a three-year term. A person who has previously served as a Director and who has not served on the board for at least one (1) year may be nominated to serve again as a Director.

SECTION 4. Nomination and Election of Directors.

- A. Except as otherwise provided in these Bylaws, each Member in good standing shall be eligible for nomination to serve as a Director. Nominations of individuals to serve as Directors shall be made by the nominating committee in accordance with these Bylaws and such rules and procedures as may be established from time to time by the Board of Directors. Nominations of individuals to serve as Directors may also be made by written petition signed by ten (10) Members.
- B. The nominating committee shall submit to the Members at least sixty (60) 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 area of specialization to be represented by each nominee. Petitions for nominees to serve as Directors must be received by the nominating committee at least forty-five (45) days before the election date. If any petition is received within such time, the nominating committee shall, at least thirty (30) 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. To be valid, such ballots must be marked and returned to the nominating committee on or before the election date.
- C. If no petitions are received by the nominating committee within the time prescribed in these Bylaws, 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. If one or more petitions are received by the nominating committee within the time prescribed in these Bylaws, then, within five (5) days after the election date, the nominees who received the largest number of validly and timely cast votes by ballot shall be declared elected Directors until all elected Director seats to be filled are filled.

SECTION 5. Removal of Members of the Board of Directors. At any regular or special meeting of the Chapter duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the Members of the Chapter and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting to consider his or her removal and the purpose thereof and shall be given an opportunity to be heard at the meeting. Notwithstanding this procedure, any director who has had three (3) consecutive unexcused absences from regularly scheduled Board meetings may be removed by the vote of a majority of the other directors.

SECTION 6. Vacancies. Vacancies in the Board of Directors caused by any reason, except the removal of a director by vote of the membership, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. The successor so selected shall hold office for the remainder of the term of the director being replaced.

SECTION 7. Compensation. Directors shall not be compensated for services as such unless and only to the extent that compensation is authorized by a majority vote of the Members. Directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon approval of such expenses by the Board of Directors.

SECTION 8. Elections. All Members of the Chapter eligible to vote shall be entitled to cast their entire vote for each directorship to be filled. There shall be no cumulative voting. The directorships for which elections are held shall be filled by that number of candidates receiving the most votes. Voting for

election of Board members shall be by secret written ballot (unless dispensed by unanimous consent at such meeting at which such voting is conducted).

SECTION 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least quarterly.

SECTION 10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each director given by mail, in person, by telephone, by email or electronic transmission, by facsimile transmission or other means of communication approved by the Board of Directors, which notice shall state the date, time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President, Vice President, Secretary, or Treasurer in like manner and on like notice on the written request of at least two (2) directors.

SECTION 11. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall also constitute a waiver of notice by him or her of the time and place of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

SECTION 12. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors. The Secretary shall keep a minute book recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. A majority of directors shall constitute a quorum for the transaction of business. One or more directors who participate in a meeting by means of telephone or electronic communication shall be deemed present and in attendance for all purposes at such meeting, provided all persons participating in the meeting can hear each other. Any act at any duly called meeting of the Board of Directors at which a quorum is 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 Bylaws. 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.

SECTION 13. 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 be consistent with the policies, goals, and objectives of CAI.

SECTION 14. Action Without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if a majority of the Directors consent in writing to such action; provided, however, if these Bylaws require a greater number of Directors to approve an action, the written consent must be signed by the number of Directors required by these Bylaws. Such written consents must describe the action taken and be signed by no fewer than a majority of the Directors, or such greater number as may be required, and such written consent or consents shall be filed with the minutes of the Board of Directors. Written consent shall mean a written document, email or electronic transmission or other form of communication selected by the Board of Directors to be used for any such action.

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. No more than two individuals from the same Membership Representation Groups as defined by the Board of Trustees may serve as officers of the Chapter at the same time. The officers of the Chapter, with the exception of President, shall be elected from among the Directors each year by the Board of Directors by a majority vote of the Board. The President taking office each year shall be the President-elect who was in office immediately before the election of officers. Each officer will serve for a term of one (1) year and until a successor has taken office. Officers shall assume office at the first Board meeting of each calendar year.

SECTION 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected.

SECTION 4. Vacancies. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

SECTION 5. President. The President shall be the chief elected officer of the Chapter and shall preside at all meetings of the Members and of the Board of Directors. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the New Mexico Nonprofit Corporation Act, including, but not limited to, the power to appoint committees from among the Members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Chapter.

SECTION 6. President-Elect. The President-elect shall perform the duties of the President in the President's absence or in the event of the President's resignation, removal, inability, or refusal to act. The President-elect when so acting, shall have all the powers and responsibilities of the President. The President-elect shall also perform such other duties as may be assigned by the President of the Board of Directors.

SECTION 7. Vice President. The Vice President shall act in the President-Elect's absence and shall have all powers, duties, and responsibilities provided for the President-Elect when so acting.

SECTION 8. Secretary. The Secretary shall keep the minutes of all meetings of the Members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under the New Mexico Nonprofit Corporation Act.

SECTION 9. Treasurer. The Treasurer shall have the responsibility for the Chapter's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Chapter in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall be responsible for the preparation of an annual budget. The Treasurer may delegate all or a part of the preparation and notification duties associated with the above responsibilities to an Executive Director or certified public accountant ("CPA").

SECTION 10. Other Officers. Other offices may be created by the Board, and the Board members which hold such offices shall have such titles and duties as are defined by the Board.

SECTION 11. Chapter Staff. The Board of Directors may appoint an Executive Director and other staff to manage the operations of the Chapter within the authority delegated by the Board of Directors.

ARTICLE VIII COMMITTEES

SECTION 1. Nominating Committee. Each year the Board of Directors, shall designate a nominating committee that shall consist of the immediate past president of the Chapter, the President-elect, and at least three (3) other members of the Chapter who are not elected officers of the Chapter and who are not running for election. At least one (1) member of the nominating committee shall be a Community Association Volunteer Leader member, and no more than two (2) members of the nominating committee may be from the same Membership Representation Group, as defined by the Board of Trustees. Unless otherwise directed by the Board of Directors, the immediate past president of the Chapter shall serve as chairman of the nominating committee.

SECTION 2. Other Committees. Unless otherwise provided in these Bylaws, the Board of Directors shall appoint such other standing or special committees, subcommittees, or boards as may be required by these Bylaws or as may be deemed necessary or appropriate by the Board of Directors.

SECTION 3. Reimbursement of Expenses. Members of any committee may be reimbursed for reasonable out-of-pocket expenses incurred by them in performing their duties as members of the committee, as budgeted and authorized by the Board of Directors.

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 Bylaws, except acts or failures to act arising out of such person's willful misfeasance.

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 Bylaws, actually and reasonably incurred by such person in connection with such proceedings. The officers, directors, agent, employees, or responsibilities of the Chapter shall never be liable for any mistake of judgment, negligent, or otherwise, or for injury or damages caused by such person in the performance of his or her duties, except for his or her own willful misfeasance or malfeasance. 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 threatened to be 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 determined by the Board of Directors.

SECTION 2. **Contracts, Checks, Drafts, Etc.** Except as otherwise provided in these Bylaws, all contracts and all checks, drafts, notes, acceptances, endorsements, and other evidence of indebtedness may be signed on behalf of the Chapter only by the President, the Executive Director, or such other officers and agents of the Chapter as the Board of Directors may authorize. Each check, draft, note, acceptance, endorsement, or other evidence of indebtedness over Three Thousand Dollars and No/100 (\$3,000.00) must be pre-approved in writing by the President or one (1) other member of the Board of Directors.

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 the 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 the President may select, or as may be selected by another officer or agent authorized by the Board of Directors.

SECTION 5. **Surety Bond.** The President, Treasurer, 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.

SECTION 6. **Procedures.** All meetings of the Members, the Board of Directors, and any committee shall be governed by the rules set forth in the latest edition of Robert's Rules of Order, Newly Revised, as long as such rules are not in conflict with these Bylaws or with rules and procedures established by the Board.

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 the rules and procedures as may be adopted by the Board of Directors.

SECTION 8. **Dissolution.** 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 Bylaws, 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 Bylaws 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. The Board of Directors shall adopt such provisions for effecting a transition to the requirements of these Bylaws (including, without limitation, provisions for converting the composition of the Board of Directors of the Chapter) as it deems necessary and proper.

SECTION 12. Notices. Unless otherwise prohibited by these Bylaw or state law, all notices and other communications required by these Bylaws 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 Bylaws 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 Bylaws, and must state that a purpose of the meeting is to vote on such proposed amendment; revision or alteration to the Bylaws.

IN WITNESS WHEREOF, at least two-thirds (2/3) of the members of the Board of Directors have consented to these Bylaws.

This _____, day of _____, 2010.

**COMMUNITY ASSOCIATIONS INSTITUTE – NEW MEXICO
CHAPTER, a New Mexico nonprofit corporation**

By: _____
President Date

By: _____
Secretary Date

EXHIBIT A – CONFLICT OF INTEREST POLICY

This should be referenced in the bylaws, but should remain a separate document of the bylaws.

EXHIBIT A

CAI – New Mexico Chapter Conflict of Interest Policy

The CAI Chapter Board of Directors owe a duty of loyalty to Community Associations Institute (CAI) which requires that in serving CAI they act, not in their personal interests or the interests of others, but rather solely in the interests of CAI. Directors must have undivided allegiance to CAI's mission and public policies, and may not use their positions as Directors, information they have about CAI or strategies related to their activities, in a manner that allows them to secure a pecuniary or any other benefit for themselves, their relatives, or other organizations they belong to or serve.

The conduct of personal business between the Director and CAI is discouraged. Business transactions involving CAI in which a Director has an interest shall not be prohibited, but shall be subject to close scrutiny. Such proposed transactions shall be reviewed carefully to determine that those transactions are in the best interests of CAI will not lead to a conflict of interest. The language in the foregoing sentence is, to an extent self-contradictory. Any matter in which one has a personal interest is, de facto, a conflict of interest.

The issue is whether, despite the conflict, the transaction is commercially reasonable and in the best interests of CAI. For the purposes of this policy, a Director has an interest in a proposed transaction if the Director has a financial interest in the transaction that is not shared by the membership at large or a substantial portion of the membership of CAI, or has a financial interest in any organization involved in the proposed transaction (except an interest as a shareholder in a publicly traded company) or holds a position as trustee, director, general manager, or principal officer in any such organization.

Prior to participating in any briefings, discussions, strategy sessions or Chapter activities that affect any programs or interests of other organizations to which Directors are affiliated or which affect a Director personally, the Director must make full disclosure to the best of their knowledge of any interest inconsistent with this policy or other chapter activity to the President of the Chapter Board of Directors.

A Director with a dual interest in a proposed issue or position shall not vote on or participate in a discussion of the matter.

A Director shall not use inside information about CAI for his/her personal benefit or for the benefit of any other organization, or use such inside information or his/her position as a Director to the detriment of CAI. Inside information is information obtained by a Director through the Director's position that has not become public information.

Each Director has a duty to place the interests of CAI and adherence to CAI's interests foremost in any dealings involving CAI and has a continuing responsibility to comply with the requirements of this Policy. On an annual basis, each Director is required to complete a Director Disclosure Statement.

Adopted by the CAI New Mexico Chapter Board of Directors on March 24, 2009

Director Disclosure Statement

The Director Disclosure Statement is designed to help Directors meet their continuing responsibility to disclose potential conflicts of interest.

Part A of this Director Disclosure Statement provides instructions that should be retained by each Director and used as necessary during their current term of service to report potential conflicts of interest as they may arise. In Part B, you are requested to list all organizations, associations, or businesses in which you are involved that do business with or compete with Community Associations Institute (CAI) or a Chapter of CAI. Part C is a year-end report in which you are requested to describe any business transaction with CAI or a Chapter of CAI during the past year in which you had an interest.

Parts B and C of this form should be filled in, signed at the bottom, and returned as soon as possible to the attention of CAI – New Mexico Chapter at PO Box 92618, Albuquerque NM 87199.

Part A. Instructions for Disclosure of Potential Conflicts of Interest (Retain for Future Use)

If you have reason to believe that you may have any interest inconsistent with the *Conflict of Interest Policy* in a proposed issue, transaction, business or public policy position, you must prepare a brief letter to the President of the Chapter Board describing your potential conflict of interest. This letter must be provided to the President of the Chapter Board and you must receive a response from the President of the Chapter Board before beginning any negotiations or participating in any discussions relating to the transaction or topic of your potential conflict of interest.

A Director is considered to have an “interest” in a transaction, issues, strategy or public policy position if he, she, the business entity with which such person is associated or any family member: (1) has a direct or indirect financial interest in it; or (2) is a member of an association, organization, or business involved in or affected by the proposed transaction, issue, or policy; or holds a position as a trustee, director, general manager, principal officer, or is staff in any such association, organization, or business. A Director will not be considered to have an “interest” if the general membership of CAI or all members of the same membership category as the Director share the same predisposition or bias.

A potential conflict of interest will be reviewed carefully and measures will be provided to ensure that the interests of CAI are not adversely affected or abrogated. A Director shall not participate in any manner in the subject of the potential conflict of interest, unless the Director is first provided with written authorization. Such prohibited participation includes any discussions or votes relative to the subject of the conflict of interest and any attempts made to affect the position of other Directors. Any question concerning whether a potential conflict of interest exists must be disclosed, in writing, to the President of the Chapter Board.

Part B. Organizations, Associations, or Businesses Doing Business with or Competing With Community Associations Institute in Which You Have an Interest

In the space below, please list all organizations, associations or businesses in which: (1) you have a substantial financial interest, or (2) you are a member, hold a position as a trustee, director, general manager, principal officer, or employee, if these organizations, associations or businesses engage in business transactions with Community Associations Institute or the Chapter or compete in any way with Community Associations Institute. Enter “N/A” if you have no organizations to report.

Name of Organization, Association,

Nature of Your Interest in the

PO Box 92618, Albuquerque NM 87199

or Business

Organization, Association, or
Business

(Attach additional sheets if necessary.)

I certify that the above information is correct to the best of my knowledge.

Name of Director: _____

Signature: _____

Date: _____

(Please return Part B to the attention of.)

Part C. Transactions During the Fiscal Year Ending December 31, 2008.

In the space below, please provide a description of any and all business transactions of CAI or the Chapter during the past fiscal year in which (1) you have a substantial financial interest, or (2) that involve an organization, association, or business in which you have a substantial financial interest, or (3) that involved an organization, association, or business in which you hold a position as trustee, director, general manager, principal officer, or staff. Include a brief description of each transaction, and a description on your interest in the transaction. Enter "N/A" if you have no transactions to report.

(Attach additional sheets if necessary.)

I certify that the above information is correct to the best of my knowledge.

Name of Director: _____

Signature: _____

Date: _____

(Please return Part C to the attention of.)

EXHIBIT B –COLLECTION/NON SERVICE POLICY

This should be referenced in the bylaws, but should remain a separate document of the bylaws.

It is the policy of the organization to complete customer orders and forward an invoice for the merchandise. Invoices for services will be sent immediately following completion of the service.

On or about thirty (30) days after the date of the original invoice, statements will be mailed to customers accompanied by copies of outstanding invoices.

On or about forty-five (45) days after the date of the original invoice, a person will contact the customer via telephone and e-mail and attempt to collect the amount due. A record will be kept of telephone and email contacts.

If 60 days elapsed without payment, the account will be turned over to the organization's collection agency if the amount is \$500 or less. If the debt exceeds this figure, the account will be handled by the organization's attorney. At this time, the member will be sent a letter notifying them that the account has been turned over for collection and that the member will no longer be eligible to receive benefits from the CAI New Mexico Chapter until the debt is cleared. The Chapter may not refuse membership. However, the chapter may withhold member services (i.e. listing in chapter directory, advertising in chapter publications and attendance at chapter events).

A Bad Dept Collection Activity Record will be maintained to track telephone calls, collection agency action and attorney use concerning the customer.