

**BYLAWS OF
CATOCTIN LAND TRUST, INC.**

ARTICLE I

NAME AND LOCATION

- (1) **Name.** The name of the corporation is "Catoctin Land Trust, Inc."
- (2) **Location.** The office of the Catoctin Land Trust shall be at such place in Frederick County in the state of Maryland as the Board of Directors shall designate from time to time.

ARTICLE II

DEFINITIONS

All terms and provisions of these By-Laws, and all operations of this corporation, shall be construed, applied and carried out in accordance with the intent of this corporation to be an organization which is exempt from Federal income tax under section 501(c)(3) of the Code and which is a public charity. For purposes of these By-Laws: any reference to a provision of the Code includes the corresponding provision or provisions then in effect of any subsequent Federal Tax Laws.

ARTICLE III

MEMBERSHIP AND DIRECTORS

- (a) **Qualifications of Members and Directors.** The membership of this corporation shall consist of members of the board of directors as that board shall be constituted from time to time. The Board of Directors shall consist of United States citizens. A majority of the Board of Directors shall be comprised of residents of Frederick and Washington Counties, Maryland. No person who is holding a salaried public office shall be a member of the Board of Directors. Each member of the Board of Directors is to be selected, in part, for their concern for and knowledge of the natural resources and biological diversity of the Catoctin Mountains and adjacent lowlands, and shall serve without compensation except for payment of reasonable expenses incurred for this corporation. Directors act in their own right solely as Directors, and not as representatives or delegates of their own or any other organization, interest or group.

Members of the Board of Directors who by change of citizenship, residence, office, or employment or otherwise cease to be qualified shall automatically cease to be members of the Board of Directors. Failure without excuse acceptable to the Board of Directors to attend

three (3) consecutive regular meetings of the Board of Directors shall operate as a tender of resignation.

- (b) **Number and Election.** The Board of Directors shall consist of not less than three (3) nor more than fifteen (15) persons as the Board of Directors may from time to time determine. Persons shall be elected to serve as Directors at the annual meeting of the Board.
- (c) **Director's Terms of Office.** The full term of office of a member of the Board of Directors shall be three (3) years and until a successor is chosen and qualifies. Terms of office shall be arranged so that approximately one third of the Director's terms expire each year. Terms shall expire on December 31 or such other date as the Directors may designate. A member of the Board of Directors shall serve not more than two (2) consecutive full terms of three years after which a person may serve again after an intervening year or to fill a vacancy that occurs other than by expiration of his or her own term.
- (d) **Vacancies.** The Executive Committee may appoint persons to fill any vacancies on the Board resulting from death, resignation, refusal to serve, or otherwise. Such persons shall serve until the next annual election, at which time they may be candidates for election to serve the balance of the unexpired term to which they were appointed.
- (e) **Meetings.**
 - (1) An annual meeting of the Board of Directors for the election of Directors and officers and the transaction of other business shall be held in March or such other month as the Directors may designate.
 - (2) The Board of Directors shall hold such regular meetings at such time and place as may be fixed by the Board, or if no time or place has been fixed by the Board, at such time and place as designated by the Chairman.
 - (3) Special meetings of the Board of Directors may be called by the Chairman and shall be called upon request of any three (3) Directors.
 - (4) Notice of all meetings of the Board of Directors shall be given by mail or e-mail (validated upon reply) to the usual business or residence address of each Director at least seven (7) days before any such meeting, but such notice may be waived by any Director and attendance at any such meeting shall be deemed to constitute a waiver of notice thereof; provided, however, that this notice provision shall be inapplicable with respect to any annual meeting of the members at which any Director is first elected or appointed as such.

- (f) Quorum; Action by Board. A simple majority of the members of the Board shall constitute a quorum for the proper conduct of business at any meeting of the Board, and the action of a simple majority of members present at such a meeting shall be the action of the Board. Any action of the Director or of its executive committee may be taken by a majority vote of the Body without a meeting if a consent in writing setting forth the action taken is signed by all members of such body to acknowledge that the action was taken by a majority of their number by mail or phone or online postings or subsequent approval and such consents are filed with the official minutes of the corporation.

Members of the Board of Directors, Executive Committee or any other committee may participate in a meeting by means of conference telephone or similar equipment by which all persons participating can hear each other and participate at the same time and this participation shall constitute presence at a meeting.

Members of the Board of Directors, Executive Committee or any other committee may participate in a meeting by means of computer-mediated online conferencing by which all persons participating can read and post to each other and participate at the same time, or over an agreed upon period of time, and this participation shall constitute presence at a meeting.

- (g) Powers and duties of Directors. The Board of Directors shall have general charge of the affairs, property and assets of the corporation. It shall be the duty of the Directors to carry out the aims and purposes of this corporation and, to this end, to manage and control all of its property and assets. In carrying out its duties, the Board of Directors is authorized to elect officers and to employ or arrange for its services of such persons, including attorneys, agents or assistants, as in its opinion are necessary or desirable for the proper administration of the corporation, and to pay reasonable compensation for services and expenses thereof. The Board of Directors may also, from time to time, appoint and retain as Advisors persons whose advice, assistance or support may be deemed helpful in determining policies and formulating programs for carrying out the corporation's purposes and pay the reasonable expenses thereof.
- (h) Audit; Public Reports.

- (1) An independent auditor appointed or approved by the Board of Directors shall at such time as the Board of Directors may determine, but at least annually, prepare for the corporation as a whole a consolidated financial statement, including a statement of combined capital assets and liabilities, and a statement of income, expenses and distributions, and a list of projects and/or organizations to or for which funds were used or distributed, and such other additional reports or information as may be ordered from time to time by the Board of Directors. The auditor shall also prepare for financial data as may be necessary for returns or reports required by state or federal government to be filed by the corporation. The auditor's

charges and expenses shall be proper expenses.

- (2) The Board of Directors shall take all other appropriate actions to make the corporation and its purposes known to the people of the community of Frederick and Washington Counties and in that connection seek support, financial and otherwise, to the corporation.
- (i) Fiduciary Nature of Board. Each member of the Board of Directors shall serve in a fiduciary capacity, and shall exercise his or her powers in such manner as not to disqualify any gift from the deduction as a charitable contribution, gift or bequest in computing any federal income, gift or estate tax of the donor of his or her estate, and not to disqualify the corporation from federal income tax exemption as a qualified charitable organization and/or from classification as a public charity.
- (j) Liability. Neither the Board of Directors, nor any of its members individually shall be liable for acts, neglects or defaults of an employee, agent or representative selected with reasonable care, nor for anything it may do or refrain from doing in good faith, including the following if done in good faith: errors in judgment, acts done or committed on the advice of counsel, or mistakes of fact or law.

ARTICLE IV

OFFICERS

- (a) Selection. At the annual meeting of the Board of Directors, the existing Directors shall elect from among their themselves a chairman of the Board, one or more Vice Chairmen of the Board, a Treasurer, a Secretary, and such other officers of the corporation as the Board deems necessary, to hold office for one (1) year, and until the election and their qualification of their successors. Except in the case of the offices of Chairmen and Vice chairmen, two or more offices may be held by the same person.
- (b) Duties. The officers, at the direction of the Board of Directors, shall generally conduct all operations of the Corporation in accordance in the Land Trust Alliance's Standards & Practices. They shall have the following duties:
- (1) Chairman of the Board. The Chairman shall be the President and chief executive officer of the corporation and shall preside at all meetings of the Board and its Executive Committees.
- (2) Vice Chairman. The vice Chairman (or the vice Chairman designated by the Executive Committee, if there is more than one vice Chairman) shall perform the duties of the Chairman in the absence or inability of that officer. Vice Chairmen shall perform other such duties as may be assigned

by the Chairman or Board of Directors.

- (3) Treasurer. The treasurer shall have general charge of all money and other property belonging to the corporation and shall receive and disburse the same under direction of the Board of Directors and keep an accurate account of the same; and, in general, to perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the Chairman or the Board of Directors.
 - (4) Secretary. The Secretary shall keep the minutes of the meetings of the members and of the board and Executive Committee in one or more books provided for that purpose; see that all notices are duly given to each said bodies in accordance with the provisions of these By-Laws or as required by Law; be custodian of corporate records and of the seal of the corporation; and, in general, perform such other duties as from time to time may be assigned by the Chairman or the Board.
 - (5) Other Offices. If the Board of Directors establishes other offices, it shall designate the duties thereof.
 - (6) Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by action of the Board of Directors.
- (c) Executive Director. The Board of Directors shall have the power to appoint an executive director, who shall serve at the Board's pleasure, and act as chief operations officer of the corporation in performing such duties as may be assigned by the Board of Directors. The Executive Director shall be an ex-officio non-voting member of the Board of Directors, of the executive Committee, and of all committees of the Corporation.

ARTICLE V

COMMITTEES

Each member of the Corporation, Board of Directors, and officers and each member of a Committee of the Corporation shall serve at the pleasure of the Board of Directors and may be removed without assignment of the cause. The Board of Directors shall appoint one of its members to chair each committee. The chairman of the Board of Directors is a defacto member of every committee.

- (a) Executive Committee. The Board of Directors may create an executive committee comprised of the Chairman, Vice Chairman, Secretary, Treasurer, and the

immediate past Chairman. The Executive Director shall be an ex-officio non-voting member of this committee. Except as otherwise provided herein, such committee shall, during the intervals between the meetings of the Board of Directors, possess and exercise all powers of the Board of Directors in the management of the affairs of the corporation. A simple majority of the members of the Executive Committee present at any meeting shall constitute a quorum, and the action of a simple majority of members present shall be the action of the Executive Committee. The Executive Committee shall keep full records and accounts of its proceedings and transactions. All action of the Executive Committee shall be reported to the Board of Directors at its meeting next succeeding such action and shall be subject to control, revision, and alteration by the Board of Directors, provided that no rights of third persons shall be prejudicially affected thereby. Vacancies in the Executive Committee shall be filled by action of the Board of Directors, and the Directors may appoint one or more Directors as alternate members of the Executive Committee who may take the place of any absent members at any meeting.

- (b) Nominating Committee. At its first meeting in every calendar year or within a reasonable time thereafter, the Board of Directors shall elect a Nominating Committee of three to five persons, a majority of whom are members of the Board of Directors. The nominating Committee shall nominate candidates for the consideration of the body responsible for the election of persons to fill vacancies on the Board of Directors, occurring by virtue of expiration of terms, death, removal from the geographic area or otherwise.

As requested by the Board of Directors, the Nominating Committee shall also nominate officers of the corporation to be considered by the Board of Directors for election to the ensuing term.

- (c) Finance Committee. The members of the Finance Committee are to be appointed by the Board of Directors for the term of one year at the first annual meeting in every calendar year. The Finance Committee is chaired by the Treasurer of the Corporation. The Finance committee oversees the management of the Corporation's funds, primarily by monitoring the quarterly financial position of the land trust. This Committee is also responsible for the coordination of an annual audit of financial position by a certified public accountant approved by the Board of Directors. Additionally, any investment funds will be handled and monitored by the Finance Committee. This oversight includes regular correspondence between the Finance Committee and the money manager responsible for investing any endowment funds.
- (d) Real Estate/Acquisitions Committee. The members of the Real Estate/Acquisitions Committee are to be appointed by the Board of Directors for the term of one year at the first annual meeting in every calendar year. The Real Estate/Acquisitions Committee is responsible for setting criteria and priorities and identifying and

pursuing opportunities for land protection and acquisition. The RE/A committee submits its findings with recommendations to the Board of Directors.

- (e) Stewardship and Land Management Committee. The members of the Stewardship and Land Management Committee are to be appointed by the Board of Directors for the term of one year at the first annual meeting in every calendar year. This Committee sets policy for the management of the Corporation's reserves and the monitoring and enforcement of conservation easements. The Stewardship Committee is one of the Corporation's most active, with volunteers who give their time and energy in support of our mission.
- (f) Development and Education Committee. The members of the Development and Education Committee are to be appointed by the Board of Directors for the term of one year at the first annual meeting in every calendar year. The Development and Education Committee will set and support the strategic plan for all fundraising efforts and community outreach initiatives. Additionally, this Committee sets policy and provides board-level oversight for the Corporation's educational program.

Each member of the Corporation, Board of Directors, and officers and each member of a Committee of the Corporation shall serve at the pleasure of the Board of Directors and may be removed by the Board of Directors without assignment of the cause.

- (g) Delegation of Authority to Committees. To a committee whose members the Board of Directors appoints and which reports its actions to the Board of Directors periodically, the Board may delegate its authority to act in place of the Board and without prior notice to it including, without limiting the generality of the foregoing, the authority which it has extended. Any action voted by a committee shall be effected by such committee (through its chairman or vice chairman) instructing the Executive Director to implement the desired action.
- (h) Other Committees. The Board of Directors may provide for such other standing or special committees as it deems desirable, and may discontinue the same at its pleasure. Each such committee shall have such powers and perform such duties, not inconsistent with law, the Articles of Incorporation or these By-Laws as said Board may prescribe. Vacancies in such committees shall be filled by action of the Board of Directors or as the Board may provide herein may include non-members as well as members of the Board of Directors.

INDEMNIFICATION

- (a) Conditions for Indemnification. The corporation shall indemnify each Director, Committee member, officer and employee and each former Director, Committee member, officer and employee of this corporation, and each person who is serving or has served at its request as a Director, Committee member, officer, Director, or employee of another corporation, against expenses, judgments, decrees, finance penalties or threatened action, suit or proceeding, criminal or civil, to which he or she was, is or may be made party by reason of being or having been such member Director, Committee member, Director, officer or employee, provided a determination is made: by the Board of this acting at a meeting at which the quorum consisting of Directors who neither were nor are parties to or threatened with any such action, suit or proceeding is present, or if all of the above are parties, by a body elected by the Board of three (3) or more temporary additional Board members impartial as to this matter, to determine whether and subject to what procedures it shall be determined who may properly be indemnified, that:
- (a) such Director, Committee member, Director, officer, or employee was not, and has not been adjudicated to have been negligent or guilty of misconduct in the performance of his or her duty to the corporation.
 - (b) he or she acted in good faith in what was reasonably believed to be the best interest of such corporation, and;
 - (c) in any matter the subject of a criminal action, suit or proceeding, he or she had no reasonable cause to believe that his or her conduct was unlawful.
- (b) Non exclusive. The foregoing rights of indemnification shall not be deemed exclusive of any other rights to which such Director, Committee member, Director, Officer, or employee may be entitled apart from the provisions of this Article.

ARTICLE VII

GIFTS TO THE CORPORATION

One of the primary purposes of the Corporation shall be to function as a "Qualified Organization" for purposes of accepting "Qualified Conservation Contributions" from the general public, in accordance with Section 170(h) of the Code. Accordingly, the following provisions shall apply to gifts to the Corporation of Qualified Conservation Contributions, as well as other gifts made to the Corporation from time to time.

- (a) **Method.** Donors may make gifts to the Corporation by naming or otherwise identifying the corporation, whether or not an agent is designated to have custody of the property contributed. Gifts shall vest in the corporation upon receipt and acceptance by it (whether signified by an officer, employee or agent of the corporation). The corporation may enter into agreements with agents having custody of funds of the corporation, specifying additional terms of such custody. A donor may designate one or more agents of the corporation to have custody of and administer the investment of a gift, and if more than one, the portions of the gift to be so held and administered by each.
- (b) **Terms.** Each donor making a gift to the corporation accepts and agrees to all the terms of the articles of Incorporation and these By-Laws, and provides that the fund so created shall be subject to the provisions of these By-Laws for the presumed intent of donors, variance from a donor's restrictions and amendments and termination, and to all other terms of the Articles of Incorporation and these By-Laws and any agency agreement between the corporation and agents having custody of the funds of the corporation, each from time to time amended.
- (c) **Donor's Restrictions.**
- (1) Any donor may, with respect to a gift made by such donor to the corporation, provide at the time of the gift, restrictions which are not inconsistent with the charitable purposes of the corporation, as to:
- (i) the field of charitable purposes or particular charitable organizations or purposes to be supported,
 - (ii) the manner of distribution, including amounts, times and conditions of payment, and whether from principal and/or income
 - (iii) the geographical limits or use of the gift, including use in or for areas outside the Frederick County Area,
 - (iv) the name, as a memorial or otherwise, for a fund given or addition to a fund previously held, or anonymity for the gift, a reasonable limits on or additions to investment powers of an agent having custody of the gift for the corporation.
- (d) All such restrictions by donors shall be followed except as provided in sections (f) and (g) of this Article VI or in other provisions of these By-Laws or in the Articles of Incorporation or by law.
- (e) **Investments.** No gift shall be required to be separately invested or held unless so provided by a restriction of the donor, as it is necessary in order to follow any other restriction of the donor as to purpose or investment, or in order to prevent

tax disqualification, or it is required by law. Restrictions involving the naming of a fund as a memorial or otherwise may be satisfied by keeping under such name accounts reflecting appropriately the interest of such fund in each common investment.

- (f) Presumption as to Donors' Intent. Each gift to the corporation shall be presumed to be intended (1) to be used only for charitable purposes, (2) to be productive of a reasonable return of net income which if accumulated is to be accumulated only in a reasonable amount and for a reasonable period for a charitable purpose or purposes, and (3) to be used only for such of those purposes and in such manner as not to disqualify the gift or fund from deduction as a charitable contribution, gift or bequest in computing any Federal income, gift or estate tax of the donor or his or her estate and not to disqualify the corporation from exemption from federal income tax as a qualified charitable organization and/or from classification as a public charity; and each gift shall not be otherwise applied. If a restriction by the donor, however expressed would, if followed, result in use contrary to the intent so presumed, or if the Board of Directors is advised by counsel that there is substantial risk of such result, the restriction shall not be followed, but shall be varied by the Board of Directors so far as necessary to avoid such result, except that if the donor has clearly stated that compliance with the restriction is a condition of the gift, then the gift shall not be accepted in case of such advice unless an appropriate judicial or administrative body first determines that the condition and restriction need not be followed. Reasonable charges and expenses of counsel for such advice and proceedings shall be proper expenses.
- (g) Variance. The Board of Directors may from time to time delineate such other conditions and parameters for accepting gifts as they shall deem advisable in their reasonable discretion, including, but not limited to, such conditions and parameters as may from time to time be required under Section 170(h) of the Code and the Treasury Regulations with respect to Qualified Conservation Easements. Whenever the Board of Directors decides that conditions or circumstances are such or have so changed since a restriction by the donor as to purpose, or manner or distribution, use or investment, that literal compliance with the restriction is unnecessary, undesirable, impractical, impossible, or the restriction is not consistent with the corporation primarily serving effectively the charitable needs of the Frederick county area, it may, by the affirmative vote of the majority of its members, order such variance from the restriction and such application of the whole or any part of the principal or income of the fund as in its judgment is then necessary more effectively to serve the charitable purposes of the corporation. Any and all agreements entered into between the Corporation and any donors or potential donors to the Corporation shall have attached thereto and incorporated therein a copy of this Article VII of the Bylaws.

ARTICLE VIII

CORPORATE SEAL

The Board of Directors may provide a seal for the corporation which shall be in the charge of the Secretary or such other officer as the Board of Directors may from time to time direct, and shall be affixed to such documents as may require the corporate seal.

ARTICLE IX

FISCAL YEAR

The fiscal year of the corporation shall be the twelve month period ending on the 30th day of June, or such other period as may be designated by the Board of Directors.

ARTICLE X

AMENDMENTS AND DISSOLUTION

The members of the Board of Director by written assent thereto of two-thirds of such Board members, or by vote of a majority of the Board at a meeting called for that purpose or at any annual meeting of such Board may, subject to the limitations of Article EIGHTH of the Articles of Incorporation:

- (a) amend the Articles of Incorporation or these By-Laws
 - (1) in order to maintain deductibility of gifts to the corporation for Federal income, gift and estate tax purposes for donors and their estates;
 - (2) in order for the organization to be exempt under section 501(c) (3) of the Code and/or its classification as a public charity,
 - (3) in order to conform to and with any provision or provisions of the laws of the state of Maryland and the United States; and/or
 - (4) in such other respects, consistent with the objectives and purposes of the corporation, as such voting members may from time to time find necessary
- (b) direct transfer of all corporation funds to a new corporation or corporations organized for exclusively charitable purposes and with provisions consistent with those of the Articles of Incorporation and these By-Laws; and
- (c) dissolve this corporation