

**BYLAWS OF**  
**NAHMA EDUCATIONAL FOUNDATION**

**ARTICLE I**

Name and Location

Section 1: Name: The name of the Corporation shall be “NAHMA Educational Foundation” (hereinafter the “Foundation”).

Section 2: Location: The Foundation shall have its principal offices in Alexandria, Virginia. Meetings of the Foundation, the Board of Directors and its committees shall normally be held at the principal offices, unless otherwise determined by the person calling the meeting.

**ARTICLE II**

Purposes

The Foundation shall be organized and operated exclusively as a charitable organization within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and corresponding provisions of the laws of the Commonwealth of Virginia. The Foundation shall:

- (a) Engage in activities and make grants and contributions to assist in relief of the poor or of the underprivileged;
- (b) Promote scholarship and drug-free activities;
- (c) Lessen the burden of Government and promote social welfare;
- (d) Engage in any and all activities incidental to the foregoing purposes or as may be permitted by law, except as specifically restricted herein or in the Articles of Incorporation.

## ARTICLE III

### Membership

Section 1: Members. The Foundation shall have no members.

## ARTICLE IV

### Board of Directors

Section 1: Composition. The Board of Directors shall consist of twelve (12) individuals. The number of Directors may be changed from time to time by resolution of the Board of Directors, provided that any decrease in the number of directors shall not shorten an incumbent Director's term.

Section 2: Appointment and Term. The members of the Board of Directors shall be appointed for terms of three (3) years by the Board of Directors of National Affordable Housing Management Association ("NAHMA"), a corporation organized under the laws of the State of Tennessee. One-third of the Directors shall be appointed by NAHMA annually for terms commencing at the Foundation's Annual Meeting. Directors shall serve until such time as their successors are appointed. No Director shall serve more than two consecutive terms (not including any time served to fill a vacated Director's term).

Section 3: Terms Commencing in 2004. In order to establish staggered terms for Directors commencing in 2004, NAHMA shall, in this year only, appoint twelve (12) Directors and shall designate: (a) which (4) of those Director's terms shall be three (3) year terms; (b) which (4) of those Director's terms shall be two (2) year terms; and (c) which (4) of those Director's terms shall be one (1) year terms.

Section 4: Attendance. Any Director who fails to participate in three (3) consecutive meetings of the Board shall be deemed to have resigned, unless the Board shall otherwise provide, and the office of that Director shall be deemed vacant.

Section 5: Vacancies. If the office of any Director shall become vacant, by reason of death, resignation or otherwise, such office may be filled by the Board of Directors of NAHMA for the remainder of the unexpired term.

Section 5: Quorum. Five (5) directors entitled to vote shall constitute a quorum for the transaction of business at any regular or special meeting. Decisions of the Board of Directors shall require a majority of those present and voting.

Section 6: Meetings; Notice. The Board of Directors shall have an Annual Meeting for the purpose of electing officers and appointing members of the Board's Standing Committees. Special meetings of the Board of Directors may be called from time to time by the Chair or by three (3) directors. Meetings may be held (and Directors may attend) by telephone conference call, Internet or any other method permitted by the laws of the Commonwealth of Virginia, provided that all attending members are able to hear and to be heard by the other Directors in attendance.

Notice of meetings shall be given at least five (5) days in advance by email, telegram, facsimile, telephone or overnight courier, or at least seven (7) days in advance by mail. The notice shall specify the time and place of the meeting and the agenda of the meeting. Any required notice hereunder may be waived in a writing signed by a director either before or after the meeting in question. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when such director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 7: Powers. The Board of Directors shall exercise general supervision and control over the conduct of the business and affairs of the Foundation and shall:

- (a) Establish the Foundation's policies, upon its own initiative or upon the recommendation of a committee of the Board of Directors or an officer of the Foundation;
- (b) Elect the Chair and other officers of the Foundation;
- (c) Have charge of the Foundation's assets and property; and
- (d) Do all other acts and perform all other functions as may be necessary to further the objectives of the Foundation in a manner consistent with the Bylaws.

Section 8: Action by Board Without a Meeting. Any action required to be taken at a meeting of the Directors may be taken without a meeting if a consent, in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof.

Section 9: Compensation: By resolution of Board of Directors, directors may be paid a fixed sum and the expenses of attendance, if any, for attendance at each meeting of the Board of Directors; provided, however, that nothing herein contained shall be construed to preclude any director from serving the Foundation in any other capacity and receiving compensation therefor, or preclude the Chair from receiving such other compensation as the Board of Directors shall authorize.

Section 10: Standing Committees. There shall be an Audit Committee of the Board consisting of three (3) Directors appointed annually by the Chair and approved by the Board. No person serving as an officer or director of NAHMA and no person serving as an officer of the Foundation shall be eligible to serve on the Audit Committee. There shall be a Diversity Committee of the Board consisting of three (3) Directors appointed annually by the Chair and approved by the Board.

Section 11: Special Committees. Special committees of the Board of Directors may be established from time to time by the Board for such periods and purposes as the Board may determine.

## ARTICLE V

### Officers

Section 1: Officers. The officers of the Foundation shall include: the Chairman of the Board ("Chair"); Vice Chair; Chief Financial Officer and Treasurer; and Secretary. The Board may from time to time appoint one or more assistant secretaries, who shall assist the Secretary in carrying out the Secretary's duties under these Bylaws and one or more assistant treasurers, who shall assist the Chief Financial Officer carrying out the Chief Financial Officer and Treasurer's duties under these Bylaws.

Section 2: Appointment. The officers of the Foundation (other than the Chief Financial Officer and Executive Director) shall be members of the Board of Directors and shall appointed by, and shall serve at the pleasure of, the Board of Directors.

Section 3: Duties. The responsibilities of the officers shall be as follows:

- (a) Chair. The Chair shall serve as Chairman of the Board of Directors and Chief Executive Officer and, in accordance with these Bylaws and policies established pursuant thereto by the Board, be responsible for managing and operating the Foundation's business; for hiring, supervising and terminating the Foundation's employees; and for

properly collecting, applying and protecting the funds and assets of the Foundation.

- (b) Vice Chair. The Vice Chair shall preside over Board meetings in the absence of the Chair and shall perform such duties as are assigned by the Board. The Vice Chair shall be expected to succeed to the office of Chair, subject, however, to election by the Board.
- (c) Secretary. The Secretary shall be responsible for the books and records of the Foundation; for keeping the minutes of meetings of the Board of Directors and its committees; and for giving notice to Directors of the annual meeting of the Board of Directors and of any special meetings.
- (b) Chief Financial Officer and Treasurer. The professional staff member serving as Executive Director of NAHMA shall serve as the Chief Financial Officer and Treasurer of the Foundation and shall be responsible for the financial affairs of the Foundation and shall report on the financial status of the Foundation to the Board of Directors at each regular meeting of the Board.
- (c) Executive Director. The professional staff member serving as Deputy Director of NAHMA shall serve as Executive Director of the Foundation, unless the Board by resolution shall otherwise provide, and shall carry out such duties as are assigned by the Foundation's Board of Directors

## **ARTICLE VI**

### **Checks, Notes, Negotiable Instruments**

The checks and orders for the payment of monies, notices and negotiable instruments of the Foundation shall be signed by the Chair or the Chief Financial Officer or such other officers as may be designated by the Board of Directors. The Board of Directors may set limits upon the amount of any checks and orders for the payment of monies, notes or negotiable instruments of the Foundation, or require multiple or additional signatures for such instruments, or authorize additional persons to sign such instruments.

## **ARTICLE VII**

### **Dissolution and Liquidation**

Upon termination, dissolution, or winding up of the Foundation, any assets that remain after payment or provisions for payment of all its liabilities, debts, and obligations shall be distributed by the Board of Directors to any organization or organizations in section 501 (c)(3) of the Internal Revenue Code.

## **ARTICLE VIII**

### **Fiscal Year**

The fiscal year of the Foundation shall be the calendar year ending December 31.

## **ARTICLE IX**

### **Indemnification of Officers and Directors**

Each director and officer of the Foundation shall be indemnified by the Foundation against all expenses, penalties, and liabilities, including attorneys' fees and expenses, reasonably incurred by or imposed upon such person in connection with any claim, demand, action, or proceeding, whether civil or criminal, or in connection with any settlement thereof, to which such person may be made a party, or in which such person may become involved, by reason of being or having been a director or officer of the Foundation, whether or not such person is a director or officer at the time such expenses, penalties, or liabilities are incurred, except in cases where such person shall be finally adjudged in such action or proceeding to be liable for willful misconduct in the performance of such person's duties as a director or officer. The right of indemnification herein provide shall be in addition to, and not exclusive of, all other rights to which such director or officer may be entitled, and such right of indemnification shall inure to the benefit of the personal representatives of deceased directors and officers. The Board shall determine the amount and type of insurance necessary.

## **ARTICLE X**

### **Amendments**

These Bylaws may be amended from time to time, consistent with the Foundation's Articles of Incorporation, by an affirmative vote of majority of the

Board of Directors present and voting at any regular or special meeting, provided that notice of the proposed amendment shall be given in the agenda furnished with notice of such meeting.

Last Revision: Approved April 6, 2004 (Foundation Board Meeting by Conference Call)

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