

BY-LAWS OF THE SAINT MARGARET OF SCOTLAND CHURCH HOUSING CORPORATION

ARTICLE I: Name, Office and Records

Section 1.01. Name of the Corporation. The name of the Corporation shall be the Saint Margaret of Scotland Church Housing Corporation, also known as Saint Margaret Housing Corporation.

Section 1.02. Office of the Corporation. The Corporation shall have and continuously maintain a registered office in the State of Missouri. The location of the registered office in the State of Missouri shall be such as is stated in the Articles of Incorporation and as may be changed and determined from time to time by the Board of Directors pursuant to the applicable provisions of law.

Section 1.02. Records. The Corporation shall keep correct and complete books and: records of account and shall also keep minutes of the proceedings of the Board of Directors and each committee having any authority of the Board of Directors. The Corporation shall also keep a record of the name and address of each director and each member of the Corporation.

ARTICLE II: Purposes

Section 2.01. (a) This Corporation is organized exclusively for the charitable purpose (within the meaning of Section 501 (c) (3) of the United States Internal Revenue Code of 1954 and any future sections of the Revenue Code) of combating community deterioration and improving the quality of life by promoting and undertaking neighborhood improvement and housing development activities; to provide low and moderate income housing and provide affordable housing opportunities.

Section 2.01. (b) In accordance with the purpose stated in Section 2.01 (a), the Corporation may either directly or indirectly, and either alone or in conjunction or cooperation with others, whether such others be persons or organizations of any kind or nature, such as corporations, firms, associations, trusts, institutions, foundations or governmental bureaus, departments or agencies, undertake any and all lawful activities which may be necessary, useful, or desirable for the furtherance, accomplishment, fostering or attainment of said purpose, provided, that all such activities must conform to the purpose and restrictions stated in the Articles of Incorporation.

ARTICLE III: Board of Directors

Section 3.01. Directors in Lieu of Members. The Corporation shall not have members as such but, in lieu thereof, shall have only a self-perpetuating Board of Directors.

Section 3.02. Powers. The activities, affairs, and property of the Corporation shall be managed, directed and controlled, and its powers exercised by, and vested in, the Board of Directors.

Section 3.03. Number of Directors: The number of directors to constitute the Board of Directors shall be a minimum of thirteen (13) members, which shall constitute the number of directors of the Corporation until such number is changed. The Board of Directors of the Corporation may at any time, and from time to time, change the number of directors to constitute the Board of Directors by adopting a resolution fixing the new number of directors to constitute the Board of Directors of the Corporation from and after the effective date of such resolution. The members shall be elected by the then sitting members of the Board of Directors. Subsequent board appointments shall be made by the St. Margaret of Scotland Housing Corporation Board of Directors who will serve as the appointment authority.

Section 3.04. Term: At the first meeting of the Board of Directors of the Corporation following the date on which these Bylaws become effective, thirteen (13) directors shall be elected. Six (6) of the directors elected at that time shall serve for an initial term of twelve (12) months or until their successors are elected at the annual meeting of the corporation. Seven (7) of the directors shall be elected for a period of twenty-four (24) months, or until their successors are duly elected at the annual meeting of the corporation. Thereafter, all persons elected to serve as a director of the corporation shall serve for a term of twenty-four (24) months or until their successors are duly elected. A director may serve no more than three (3) consecutive terms excluding any term as an Officer (See Article V). In no event shall a director serve more than ten (10) consecutive years on the Board of Directors when considering the combined terms as a director and Officer of the Board of Directors of the Corporation. A person may return to the Board of Directors after vacating the board for one (1) term (24 months).

Section 3.05. Qualifications. Members of the Board shall be (a) persons who by their experience and character are able to assist the Corporation's management in decision-making; and (b) civic-minded citizens who have the welfare of all the population of the area at heart, without discrimination because of economic status, creed, color, or race.

No less than one-third of the Board of Directors shall consist of individuals who are:

- (1) low to moderate income (as defined by HUD guidelines) residents of the Corporations' service area; or
- (2) owners or senior officers of private establishments and other institutions located in the St. Louis metropolitan area and serving the neighborhoods within the Corporation's service area; or
- (3) representatives of low and moderate income neighborhood organizations interested in the St. Louis metropolitan area.

Section 3.06. Vacancies. Any vacancy by an elected Director, or by a Director named in these By-Laws shall be filled for the unexpired portion of the term thereof by a majority vote of the remaining Directors at their next regular meeting or a special meeting called for the purpose. A vacancy shall not be considered a decrease in the size of the whole Board.

Section 3.07. Compensation. No Director shall receive compensation from the Corporation for any service he may render to it as a Director. However, a Director may be reimbursed for his actual expenses reasonably incurred in attending meetings and in rendering service to the Corporation in the administration of its officers. No board member shall profit from services rendered to the corporation.

Section 3.08. Committees. The Board of Directors, by resolution adopted by a majority of the Directors in the office, may designate one or more committees, each of which shall have and exercise the authority of the Board in the management of the Corporation to the extent provided in the designating resolution.

Other Committees not having the authority of the Board of Directors in the management of the Corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Each such committee shall have such duties and authority as are from time to time delegated to it by the Board of Directors. Such committees may include the following: real estate committee, fund raising committee, public relations committee and public affairs committee. Each committee so constituted and appointed by the Board of Directors shall serve at the pleasure of the Board of Directors and the members thereof shall include a member of the Board of Directors and such further persons as the Board of Directors may designate. In addition to such obligations and functions as may be expressly provided for by the Board of Directors shall from time to time report to and advise the Board of Directors on corporate affairs within its particular area of responsibility and interest.

All committees shall be appointed at meetings of the Board of Directors.

Section 3.09. Resignation and Removal. Any Director may resign from the Board of Directors. Such resignation shall be in writing and shall be effective immediately or upon its acceptance by the Board of Directors as such resignation may provide. A Director may be removed from office by a majority vote of the Board of Directors. or as otherwise provided by law.

Attendance: If any member of the Board of Directors is absent from four (4) regularly scheduled meetings of the Board of Directors within a calendar year such member may be removed. If any member of the Board of Directors is absent from six (6) meetings within a calendar year, such member shall be removed from the Board. Any vacancy created pursuant to this section shall be filled by appointment of the President, with approval of the remaining members of the Board.

3.10 Conflict of Interest, Lobbying, Political Activity: All board members as well as employees must comply with Section 105.454 of Missouri Revised Statutes on conflicts of interest as well as any other state law governing official conduct. Any board member who has a "substantial personal or private interest" in any matter pending before the board must disclose that interest to the board and such disclosure shall be recorded in the minutes. Substantial personal or private interest is defined as ownership by the individual, such individual's spouse, or such individual's children (step-children and/or in-law sons and/or daughters), whether singularly or collectively, directly or indirectly of: (1) 10% or more of any business entity; or (2) an interest having a value of \$10,000 or more; or (3) the receipt of a salary, gratuity, or other compensation or remuneration of \$5,000 or more, per year from any individual, partnership, organization, or association within any calendar year.

No part of the money or resources of this corporation shall be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, Member of the state legislature, or member of the board of aldermen, or any elected or appointed city, state, or federal officials, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to

members of Congress on the request of any member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

No employee (full-time or part-time) or board member shall use or attempt to use his official authority or position, directly or indirectly,

- a. to affect the nomination or election of any candidate for any political office,
- b. to affect the voting or legal political affiliation of any other employee or board member, or
- c. to cause any other employee or board member or anyone else to contribute any time or money to the support of any political organization or cause.

No employee or board member, acting in an official capacity shall represent that any political party, political candidate, political issue, or partisan activity has the official or unofficial support of this corporation. This resolution shall take effect immediately. St. Margaret of Scotland Housing Corporation.

ARTICLE IV: Meetings

Section 4.01. Place. Meetings of the Board of Directors of the Corporation may be held at any place within or without the State of Missouri as may be determined from time to time by resolution of the Board or by written consent of a majority of the members of the Board.

Section 4.02. Annual Meetings. The annual meeting of the Board of Directors shall be held within or without the State, on the second Monday in January of each year, commencing in 1982, if not a legal holiday, then on the next secular day following. Notice of an annual meeting shall be given to each Director not less than five (5) days before the date of the annual meeting.

Section 4.02. ANNUAL MEETING: The annual meeting of the Board of Directors shall be held within the State of Missouri beginning the month of February. Notice of the annual meeting shall be given to each director not less than five (5) days before the meeting.

Section 4.03. Regular Meetings. In addition to the annual meeting, the Board of Directors may hold regular meetings at such time and place as may be determined from time to time by resolution of the Board. Notice of a regular meeting need not be given. Any business may be transacted at a regular meeting.

Meetings that call for neighborhood input will reach out to low and moderate income groups through a formal notice in ~~the~~ a newsletter that goes to every single household in the neighborhood. This formal process serves to encourage low and moderate income beneficiaries to provide input on related housing decisions.

Section 4.04. Special Meetings. Special meetings of the Board of Directors may be held at any time and for any purpose of purposes. Special meetings may be called by the President of the Board or a majority of the Board of Directors.

Section 4.05. Notice of Special Meetings. Notice of each special meeting of the Board of Directors shall be mailed to each Director's residence or usual place of business, not less than five (5) days before the day on which the meeting is to be held. Each such notice shall state the general nature of the business to be

transacted, the day, time and place of such meeting and by whose request it was called. No notice need be given of any adjourned meeting of the Board.

Section 4.06. Quorum. The presence at any meeting of the Board of Directors in person of no less than a majority of the authorized number of Directors shall be necessary and sufficient to constitute a quorum; a majority of those Directors present may, by resolution, adjourn the meeting from time to time for a period not exceeding five (5) days in any one case. At any duly adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

Section 4.07. Voting. At all meetings of the Board of Directors, except as otherwise expressly required by these By-Laws, all matters shall be decided by a majority of the Directors present at the meeting. Each Director shall be entitled to one vote on all matters before the Board.

ARTICLE V: Officers

Section 5.01. General. The officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other officers as the Board of Directors may elect, including but not limited to Assistant Secretaries and Assistant Treasurers. Any two or more offices may be held by the same person, except the offices of President and Secretary. The immediate past president of the Corporation shall serve as Chairman Emeritus.

Initially, the officers shall be elected by the Board of Directors named in the Articles of Incorporation at the first meeting of that body, to serve at the pleasure of the Board until the first annual meeting of the Board and until their successors are duly elected.

Section 5.02. Removal. Any officer or any employee or agent of the Corporation may be removed or discharged by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

If for any reason any officer who is also a member of the Board of Directors ceases to be a member, then such officer shall automatically be removed from his office in the Corporation.

Section 5.03. Compensation. No officer who is a member of the Board of Directors shall receive any salary or compensation for serving as such. Salaries and compensation of all other officers and of all other agents and employees of the Corporation, if any, may be fixed, increased, or decreased by the Board of Directors, but until action is taken with respect thereto by the Board of Directors, the same may be fixed, increased, or decreased by the Manager, President, or such other officer or officers as may be empowered by Board of Directors to do so; provided, however, that no person may fix, increase, or decrease his own salary or compensation. Each officer may be reimbursed for his actual expenses if they are reasonable and incurred in connection with the business and activities of the Corporation.

Section 5.04. Vacancies. Vacancies caused by the death, resignation, incapacity, removal, or disqualification of an officer of the Corporation shall be filled by the Board of Directors at any annual or other regular meeting or at any special meeting called for that purpose, and such person or persons so elected to fill any such vacancy shall serve at the pleasure of the Board until the next annual meeting of the Board and until his successor is duly elected.

Section 5.05. Delegation of Authority. The Board of Directors may from time to time delegate any of the functions, powers, duties, and responsibilities of any officer to any other officer or to any agent or employee of the corporation or other responsible person. In the event of such delegation, the officer from whom any such function, power, duty, or responsibility has been transferred shall thereafter be relieved of all responsibility for the proper performance or exercise thereof.

Section 5.06. The President of the Board. The President of the Board shall preside at all meetings of the Board of Directors of the Corporation and shall have such other powers and duties not inconsistent with these By-Laws as may be assigned to him or her from time to time by the Board of Directors. The term of the President of the Board shall be for two (2) years and no person is eligible to succeed himself or herself as President.

Section 5.07. The Vice President of the Board: The Vice President of the Board shall act in the absence of the President and shall have such other powers and duties not inconsistent with these By-Laws as may be assigned to him or her from time to time by the Board of Directors. The term of the Vice President of the Board shall be for two (2) years and no person is eligible to succeed himself or herself as Vice President.

Section 5.08. The Secretary. The Secretary shall keep the records of the minutes of all meetings of the Board of Directors and shall see that all notices are given in accordance with the provisions of the By-Laws. The Secretary shall, in general, perform all other duties, not inconsistent with these By-Laws, as are incident to the office of the Secretary, or as may be assigned from time to time by the Board of Directors of the Corporation. The Secretary of the corporation shall serve for a term of two (2) years and may succeed himself or herself for an additional term of two (2) years.

Section 5.09. The Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation and shall:

- a. Have the care of, receive and give receipt of monies due and payable to the Corporation.
- b. Deposit all monies received in the name of the Corporation in such banks, trust companies or other depositories as from time to time may be designated by the Board of Directors.
- c. Have charge of the disbursement of the monies of the Corporation in accordance with the directions of the Board of Directors or the President.
- d. Enter or cause to be entered regularly in books to be kept by him or her, or under his or her direction for that purpose, a complete and correct account of all monies received and disbursed by him or her for the account of the Corporation. All financial records shall be kept at the principal office of the Corporation.
- e. In general, have such other powers and perform such other duties, not inconsistent with these By-Laws, as are incident to the office of Treasurer or as may be assigned to him or her from time to time by the Board of Directors or the President.

The Treasurer of the corporation shall serve for a term of two (2) years and may succeed himself or herself for an additional term of two (2) years.

Section 5.10: "The Chairman Emeritus shall serve as an adviser to the officers of the Board and shall have such other power and duties not inconsistent with these By-Laws as may be assigned to him or her from time to time by the Board of Directors.

ARTICLE VI: The Executive Director

Section 6.01. The Executive Director. Subject to such supervisory powers, if any, as may be given by the Board of Directors to the President of the Board, the Executive Director shall be the Chief Executive Officer of the Corporation and, subject to the control of the Board of Directors, shall have general supervision, direction and control of the business and staff of the Corporation. The Executive Director shall have the general powers and duties of management usually vested in the office of the President of a Corporation and shall have such other powers and duties not inconsistent with these By-Laws as may be assigned to him or her by the Board of Directors from time to time, including, but not limited to the following:

- a. The power to hire and discharge all personnel in consultation with the President.
- b. The duty to participate as an ex-officio member of the Board of Directors and all committees.
- c. The duty to sign all records and documents whereunto his or her signature shall be lawfully required.

ARTICLE VII: General Provisions

Section 7.01. Deposit of Funds. All funds of the Corporation not otherwise employed shall be deposited in such banks, trust companies or reliable depositories as the Board of Directors from time to time may determine.

Section 7.02. Checks. All checks, drafts, endorsements, notes and evidences of indebtedness of the Corporation, and all endorsements for deposits to the credit of the Corporation, shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manners as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or Assistant Treasurer and counter-signed by the President or Vice President of the Board of Directors.

Section 7.03. 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, unless and except as authorized by the Board of Directors. Any such authorization may be general or confined to specific instances, and may include authorization to pledge, as security for loans or advances so authorized, any and all securities and other personal property at any time held by the Corporation.

Section 7.04. Contracts. The President, Vice President, or any other officer specifically authorized by the Board of Directors, may in the name of and 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 and on behalf of the Corporation.

ARTICLE VIII: Amendment of By-Laws

Section 8.01. Amendments of By-Laws. The Board of Directors of the Corporation shall have the power to make, alter, and repeal the By-Laws of the Corporation and to adopt new By-Laws, which power may be exercised by a vote of two-thirds (2/3) of the Directors of the Board of Directors present at any meeting at which there is a quorum of the Board of Directors. Notice of any amendment to the bylaws shall be given to each director not less than five (5) days before the meeting at which the amendment is to be considered by the Board of Directors. The Corporation shall keep at its principal office a copy of the By-Laws, as amended, which shall be open to inspection by any Board member at all reasonable times during office hours.

CERTIFICATE

These By-Laws were adopted by an affirmative vote of the Board of Directors of the Saint Margaret of Scotland Church Housing Corporation on February 13, 2006.

Martin Rafanan, Secretary
Don Burrus, President