

# **ISLAND HOUSING TRUST CORPORATION**

## **BYLAWS**

Adopted April 17, 2004  
Amended September 15, 2018

### **ARTICLE I – NAME AND LOCATION**

#### **Sec. 1. NAME**

The name of this Corporation shall be the ISLAND HOUSING TRUST CORPORATION as set forth in the Articles of Organization. Hereinafter it shall be referred to as the Corporation.

#### **Sec. 2. OFFICE**

The principal office of the Corporation shall be 346 State Road, Vineyard Haven, Massachusetts 02568. Mailing address: P.O. Box 4769, Vineyard Haven, Massachusetts 02568, County of Dukes County, Commonwealth of Massachusetts.

#### **Sec. 3. NO MEMBERS**

The Corporation shall have no members. No person now or hereafter designated by the Corporation as a "member" for any purpose shall be or be deemed to be a member for purposes of the Articles of Organization or the By-laws of the Corporation or for purposes of Massachusetts General Laws Chapter 180, as amended, or any other law, rule or regulation. Any action or vote required or permitted by Chapter 180 or any other law, rule or regulation to be taken by members shall be taken by action or vote of the same percentage of the Board of Directors of the Corporation.

### **ARTICLE II – PURPOSE**

**Sec. 1.** The purposes of the Corporation shall be as stated on the Articles of Organization, including but not limited to:

1. To promote affordable housing on the island of Martha's Vineyard, Massachusetts;
2. To own and lease land for the purpose of developing, building and maintaining affordable housing on Martha's Vineyard;
3. To perform any other act necessary to carry out its charitable and corporate purposes, provided such act is not forbidden by federal, state, or local laws or regulations and provided that such act is permissible for a corporation organized under M.G.L. c. 180 and for an organization exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as it may be amended.

**Sec. 2.** The Corporation shall have the power to acquire property by purchase, gift, devise, bequeath, lease, or otherwise to own, hold, use, maintain, improve, operate, sell and lease property and other powers necessary and proper to conduct itself for such purposes, including the power to borrow funds, to mortgage, and to make, accept, endorse, execute, and issue bonds, debentures, and promissory notes.

Sec. 3. The Corporation shall have the power to solicit and to accept gifts and money, securities and real and personal property from any firm, person, corporation, trust, association, organization, or agency, of any kind or nature, public, governmental, or private, to invest and reinvest the funds of the Corporation, and to borrow money and to issue evidences of indebtedness, therefore, and to secure the same by mortgage, pledge, or otherwise.

Sec. 4. In general, the Corporation shall have the power, either directly or indirectly, either alone or in conjunction or cooperation with other persons and organizations of every kind and nature, to do all acts and things which may be incidental to or in furtherance of the accomplishment of any or all of the purposes of the Corporation, and the use and exercise of all powers conferred from time to time by the laws of the Commonwealth of Massachusetts upon corporations organized under Chapter 180 of the Massachusetts General Laws.

Sec. 5A No part of the net assets of the Corporation and no part of the net earnings of the Corporation shall inure to the benefit of any member, Director, officer of the Corporation or any private individual. No member, Director, officer of the Corporation, or any private individual shall be entitled to share the distribution of any of the corporate net assets on dissolution of the Corporation.

Sec. 5B The Corporation shall not engage in any act of self-dealing as that term is used in Section 4941 of the Internal Revenue Code and its Regulations as they now exist or hereafter may be amended.

Sec. 5C The Corporation shall distribute its income for each taxable year as such time and in such manner as not to become subject to the tax on undistributed income as that term is used in Section 4942 of the Internal Revenue Code and its Regulations as they now exist or hereafter may be amended.

Sec. 5D The Corporation shall not hold stock or other interest in any business enterprise which is an excess business holding under the provisions of Section 4943 of the Internal Revenue Code or its Regulations as they now exist or may hereafter be amended.

Sec. 5E The Corporation shall not make any investment of any amount which jeopardizes the carrying out of its exempt purposes within the meaning of Section 4944 of the Internal Revenue Code or its Regulations as they now exist or may hereafter be amended.

Sec. 5F The Corporation shall make no taxable expenditure as that term is used in Section 4945 of the Internal Revenue Code or its Regulations as they now exist or as they may hereafter be amended. In accordance with the same, it shall not attempt to influence the outcome of any specific public election or carry on, directly or indirectly, any voter registration drive, as those terms are used in Section 4945 of the Internal Revenue Code or its Regulations as they now exist or as they may hereafter be amended. The Corporation will not make grants to individuals or organizations which are taxable expenditures under Section 4945 of the Internal Revenue Code or its Regulations as they now exist or as they may hereafter be amended.

Sec. 5G Notwithstanding any other provision contained herein, the Corporation shall not conduct or carry on any activities which might give rise to taxation under the provisions of Section 4941 through 4948 of the Internal Revenue Code and applicable Regulations as they now exist or as they may hereafter be amended. Notwithstanding any other provision contained herein, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an

organization, contributions to which are deductible under Section 170 (c) (2) of such Code and Regulations as they now exist or as they may hereafter be amended.

Sec. 6 Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation to such other organization or organizations organized and operated exclusively for charitable, educational, religious, literary, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision, of any future United States Internal Revenue Law). Any such assets not so disposed, shall be disposed of by order of the court of the county in which the principal office of the Corporation is then located, to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

Sec. 7 In carrying out its activities, the Corporation will not discriminate on the basis of race, color, national origin, ethnicity, ancestry, religion, creed, sex, gender identity, sexual orientation, mental or physical disability, or age.

### ARTICLE III – BOARD OF DIRECTORS

#### Sec. 1      NUMBER, QUALIFICATION AND ELECTION

The Board of Directors shall consist of not less than nine (9) nor greater than thirteen (13) Directors. The Board of Directors shall consist of Directors with expertise and skills pertinent to the business of the Corporation and/or representative of the Corporation’s constituency who shall be nominated by a Governance Committee formed by the Board of Directors and determined by a vote of a majority of Directors present and voting at a meeting of Directors.

#### Sec. 2      TERM OF OFFICE

The term of office of each Director shall be three years; provided that each Director shall serve until his or her successor is chosen and qualified, or until he or she sooner dies, resigns, is removed or becomes disqualified. There shall be a limit of two consecutive three year terms a Director may serve, with an additional consecutive term if needed and voted by at least a 2/3 vote of the Board of Directors.

#### Sec. 3      RESIGNATION, REMOVALS AND VACANCIES

A Director may resign by delivering his or her written resignation to the President, Treasurer, or Clerk of the Corporation, to a meeting of the Directors, or to the Corporation at its principal office. Such resignation shall be effective upon receipt, unless specified to be effective at some other time, and acceptance thereof shall not be necessary to make it effective unless it so states.

A Director may be removed from office with cause by the vote of a majority of the Directors then in office. A Director may be removed for cause only after 30 days notice and opportunity to be heard before the Board of Directors. A Director who misses more than two consecutive meetings without any communication with the Corporation’s Executive Director and/or the President of the Corporation and without good cause will no longer be eligible to be a member of the Board of Directors. “Good cause” as used herein shall be determined in the sole discretion of the Board of Directors.

In the event that the position of a Director becomes vacant for any reason other than expiration of such Director's term, then the Board of Directors may designate another individual to serve as Director by vote of a majority of Directors present and voting at a meeting of Directors. The Directors shall have and may exercise all their powers notwithstanding the existence of one or more vacancies in their number. Such designations shall be for the remainder of the Director's term.

Sec. 4            MEETINGS

A.    REGULAR MEETINGS    Regular meetings of the Board of Directors shall be held at such time and date as may be determined by the President and/or the Directors from time to time and upon such notice as is described below.

B.    MEETING RULES    All meetings shall be conducted at the discretion of the President.

C.    ANNUAL MEETINGS    The regular annual meeting of the Corporation shall be held during the month of March at a time and place designated by the Board of Directors for each such meeting. If an annual meeting is not held as herein provided, a special meeting of the Directors may be held in place thereof with the same force and effect as the annual meeting, and in such case all references in these By-laws to the annual meeting of the Board of Directors shall be deemed to refer to such special meeting. Any annual meeting shall be called and notice shall be given to all Directors by mailing the same at least thirty (30) days before the annual meeting to the usual business or residence address of the Directors, or by electronic mail, telephone, telecopier, telegram or in person at least thirty (30) days before the annual meeting, but such notice may be waived by any Director. Notice of an annual meeting need not be given to any Director if a written waiver of notice, executed by the Director before or after the meeting, is filed with the records of the meeting, or to any Director who attends the meeting without protesting prior thereto or at its commencement the lack of notice.

D.    SPECIAL MEETINGS    Special meetings of the Board of Directors shall be called upon the written request of any two members of the Board or when called by the President or the Treasurer, reasonable notice thereof being given to each Director by the Clerk or an assistant clerk or by the officer or the Directors calling the meeting.

E.    NOTICE OF MEETINGS    Notice of all Directors' meetings, except as in Section D and herein otherwise provided, shall be given by mailing the same at least seven (7) days before the meeting to the usual business or residence address of the Directors, or by electronic mail, telephone, telecopier, telegram or in person at least forty-eight (48) hours before the meeting, but such notice may be waived by any Director. Any business may be transacted at any Directors' meeting. Notice of a meeting need not be given to any Director if a written waiver of notice, executed by the Director before or after the meeting, is filed with the records of the meeting, or to any Director who attends the meeting without protesting prior thereto or at its commencement the lack of notice. Neither notice of a meeting nor a waiver of notice need specify the purposes of the meeting unless otherwise required by law.

F.    QUORUM AND DECISION MAKING.    At all meetings and special meetings of the Board of Directors, at least one-half (1/2) of the Directors then in office, but no less than six (6) Directors then in office shall constitute a quorum for the transaction of business. The Board of Directors shall attempt to reach consensus agreement on all decisions; provided, however, that any action adopted by a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may otherwise specifically be provided by statute or by these bylaws. Each Director in good standing shall have one (1) vote.

G. PRESENCE THROUGH COMMUNICATIONS EQUIPMENT Unless otherwise provided by law or the Articles of Organization, the Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at a meeting.

H. RECORD OF ACTION Each of the official acts of the Board of Directors shall be recorded in the minute book of the Corporation.

#### Sec. 5            INDEMNIFICATION

The Corporation may to the extent legally permissible and only to the extent that the status of the Corporation as an organization under Section 501(c)(3) of the Internal Revenue Code is not affected thereby, indemnify each of its Directors, officers, employees and other agents (including such persons who serve at its request as Directors, officers, employees or other agents of another organization in which it has an interest) against all liabilities and expenses, including amounts paid in satisfaction of judgments, in compromise or as fines and penalties, and counsel fees reasonably incurred by him or her in connection with the defense or disposition of any action, suit or proceedings, whether civil or criminal, in which he or she may be involved or with which he or she may be threatened, while in office or thereafter, by reason of his or her being or having been such a Director, officer, employee or agent, except with respect to any matters to which he or she shall have been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Corporation; provided, however, that as to any matter disposed of by a compromise payment by such Director, officer, employee or agent, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expense shall be provided unless such compromise shall be approved as in the best interest of the Corporation after notice that it involves such indemnification: (a) by a disinterested majority of Directors then in office or (b) by a majority of the disinterested Directors then in office, provide that there had been obtained in writing of independent legal counsel to the effect that such Director, officer, employee or agent appears to have acted in good faith in the reasonable belief that his action was in the best interests of the Corporation. Expenses, including counsel fees, reasonably incurred by any such Director, officer, employee or agent in connection with the defense or disposition of any such action, suit or other proceeding may be paid from time to time by the Corporation in advance of the final disposition thereof upon receipt of any undertaking by such individual to repay the amounts so paid by the Corporation if he or she shall be adjudicated to be not entitled to indemnification under Massachusetts General Laws, Chapter 180, Section 6. The right of indemnification hereby provided shall not be exclusive or affect any other rights to which any Director, officer, employee or agent may be entitled. Nothing contained herein shall affect any rights to indemnification to which Corporation personnel, may be entitled by contract or otherwise under law. As used in this paragraph, the terms "Director", "officers", "employees", and "agents" include their respective heirs, executors, and administrators, and an "interested" Director is one against whom in such capacity the proceeding in question or another proceeding on the same or similar grounds is then pending. The Corporation shall have authority to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or other agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or other agent of another organization in which it has an interest, against any liability incurred by him or her in any such capacity, or arising out of her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability.

#### Sec. 6            PERSONAL LIABILITY

The Directors and officers of the Corporation shall not be personally liable for any debt, liability or obligation of the Corporation. All persons, corporations or other entities extending credit to, contracting with, or having any claim against, the Corporation, may look only to the funds and property of the Corporation for the payment of any such contract or claim, or for the payment of any debt, damages, judgment or decree, or of any money that may otherwise become due or payable to them from the Corporation.

Sec. 7            POWERS AND RESPONSIBILITIES

The business and property of the Corporation shall be managed and controlled by the Board of Directors. All the corporate powers, except as are otherwise provided for in these By-laws and in the laws of the Commonwealth of Massachusetts, shall be and are hereby invested in and shall be exercised by the Board of Directors. The Board of Directors may by general resolution delegate to recognized committees, or to the officers of the Corporation, such powers as they may see fit. Any committee to which the powers of the Directors are delegated shall consist solely of Directors. Unless the Directors otherwise designate, committees shall conduct their affairs in the same manner as is provided in these By-laws for the Directors. The members of any committee shall remain in office at the pleasure of the Directors.

The Board of Directors shall have the power to appoint and remove as set forth in the relevant By-law all officers, agents and employees of the Corporation, prescribe their duties, fix their compensation, and require of them such security or fidelity bonds as it may deem expedient. Nothing contained in these By-laws shall be construed to prohibit the employment of any officer or Director of the Corporation in any capacity whatsoever. Directors shall serve without compensation for their services but may be reimbursed for expenses incurred on behalf of the Corporation.

A.    ANNUAL REPORTS            The Board of Directors shall make such reports at the annual meetings as are necessary to disclose in detail the financial condition of the Corporation, the compensation of Directors, officers, and employees, and the status of the affairs of the Corporation.

B.    INSURANCE            The Board shall provide adequate insurance on all property which may be in the custody of the Corporation, shall provide adequate liability insurance, and all other insurance required by law.

Sec. 8            CONFLICTS OF INTEREST

A.    CONFLICTS OF INTEREST

No Director of the Corporation or any organization of which such Director is an owner shall be remunerated by the Corporation. For the purposes herein, "remuneration" means compensation for services performed and does not mean interest on loans to the Corporation, provided that the interest is at or below market rate, which shall be permissible.

B.    PARTICIPATION OF INTERESTED PERSONS    Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Directors authorizing, approving or ratifying the contract or transaction. However, the common or interested Director must withdraw from the discussion and voting of the interested contract or transaction.

Each Director must provide the Board of Directors with an annual written disclosure of the following:

- (a) the Director's business involvements with the Corporation;
- (b) the Director's other board memberships, whether of for-profit or non-profit corporations; and

C. ANNUAL DISCLOSURE Such annual written disclosure must be circulated to all of the Directors of the Corporation and must be updated throughout the year, as necessary.

D. NO GIFTS OR GRATUITIES No member of the Board of Directors shall accept any gift or gratuity over \$50 per month from any vendor doing business with the Corporation.

## ARTICLE IV – OFFICERS

### Sec. 1 ENUMERATION AND QUALIFICATION.

The officers of the Corporation shall be a President, a Treasurer and a Clerk, and such other officers, including one or more vice presidents, one or more assistant treasurers, one or more assistant clerks, as the Board of Directors from time to time may in its discretion elect or appoint. The Corporation may also have such agents, if any, as the Board of Directors from time to time may in their discretion appoint. The Clerk shall be a resident of Massachusetts. Any two offices may be held by the same person.

### Sec. 2. POWERS, ELECTION AND TENURE OF OFFICERS

Each officer shall have, in addition to the duties and powers herein set forth, such duties and powers as are commonly incident to the office and such duties and powers as the Board of Directors may from time to time designate. The President, the Vice President, the Treasurer and the Clerk shall be elected at the annual meeting of the Board of Directors by vote of the majority of Directors present and voting. Other officers, if any, may be elected by the Board of Directors at said meeting or at any other time by vote of the majority of Directors present. All officers shall be Directors. Each officer shall hold office until the annual meeting of the Board of Directors and until a successor is chosen and qualified, or until he or she sooner dies, resigns, is removed, or becomes disqualified. Each agent shall retain his or her authority at the pleasure of the Board of Directors.

### Sec. 3 PRESIDENT

The President shall be chief executive officer of the Corporation. He or she shall:

- A. Preside over all meetings of the members and the Board.
- B. Sign, as President, with the Treasurer, all notes, deeds, and conveyances of real estate, as well as other legal instruments of the Corporation.
- C. Serve as the President of the Corporation

### Sec. 4 VICE-PRESIDENT

The duties of the Vice President shall be:

- A. Perform all duties of the President in the event that the President is absent or unable to perform these duties.
- B. Perform such other duties as the Board of Directors may assign.

Sec. 5            CLERK

The Clerk shall be a resident of Massachusetts. The duties of the Clerk shall be to:

- A. Cause to be kept a complete record of the meetings of the Board and of any Special Committees, in a Corporate Minute Book especially provided for the purpose.
- B. Sign such papers and instruments of the Corporation as may be authorized by the Board.
- C. Serve all notices required by law and these By-laws or as directed by the Board or by the President.
- D. Hold in safe keeping all records and files pertaining to his or her office.

Sec. 6            TREASURER

The duties of the Treasurer shall be:

- A. To be custodian of the seal, if any, of the Corporation and hold in safe keeping all general records and files pertaining to his or her office.
- B. Have general charge and supervision of and safely keep or cause to be kept, the books and financial records of the Corporation.
- C. Be responsible for the receipts and disbursements of all funds of the Corporation and deposit or cause to be deposited all funds of the Corporation in its name in such depositories as the Board may direct vote of the Board members present, except as otherwise provided by these By-laws.
- D. Make a full report on all matters pertaining to his/her office to the members at their Annual Meeting and make such special reports as may be required by the Board.

Sec. 7            RESIGNATION AND REMOVAL

Any officer may resign at any time by delivering a written resignation to the President, the Clerk or to a meeting of the Board of Directors. Such resignation shall be effective upon receipt (unless specified to be effective at some other time), and acceptance thereof shall not be necessary to make it effective unless it so states. Any officer may be removed from office by a two thirds vote of all Directors at any regular or special meeting called for that purpose, for nonfeasance, malfeasance, or misfeasance, for conduct detrimental to the interests of the Corporation, for lack of sympathy with its objectives, or for refusal to render reasonable assistance in carrying out its purpose or without cause. Any officer proposed to be removed for cause only after reasonable notice and opportunity to be heard before the Board of Directors.

Sec. 8            VACANCIES.



If the office of any officer becomes vacant, the Board of Directors may elect a successor, by vote of a majority of the Directors present. Each such successor shall hold office for the unexpired term, and in the case of the President, the Vice President, the Treasurer and the Clerk, until a successor is chosen and qualified, or in each case until she sooner dies, resigns, is removed or becomes disqualified.

#### **ARTICLE V – RESPONSIBILITIES OF THE CORPORATION FOR EMPLOYEES**

When and if there shall be any employees of the Corporation, the Corporation shall be responsible for making contributions for all statutorily mandated benefits. Unless specifically provided for by the terms of a grant or other funding source, the employment of any individual by the Corporation shall be governed by the personnel policies explicitly stated in that individual's contractual agreement with the Corporation.

#### **ARTICLE VI – AMENDMENT OF BY-LAWS**

The Board of Directors shall have power to make, alter, amend, and repeal the Bylaws of the Corporation by a two thirds vote of the Board members voting, provided, however, that the action is proposed at a regular meeting of the Board and adopted at a subsequent meeting, except as otherwise provided by these By-laws.

#### **ARTICLE VII – FISCAL YEAR**

The fiscal year of the Corporation shall commence on January 1st of each year and end on December 31st of each year.

#### **ARTICLE VIII – AGENTS AND REPRESENTATIVES**

The Board of Directors may appoint such agents and representatives of the Corporation with such powers and to perform such acts or duties on behalf of the Corporation as the Board of Directors may determine, but no appointments shall exceed the extent authorized or permitted by law.

#### **ARTICLE IX – EXECUTION OF PAPERS**

Except as the Board of Directors may generally, or in particular cases, authorize the execution thereof in some other manner, all deeds, releases, transfers, contracts, bonds, notes, checks, drafts and other obligations made, accepted or endorsed by the Corporation shall be signed by the President, Treasurer, and Clerk or any two of them.

#### **ARTICLE X – MAINTENANCE AND INSPECTION OF RECORDS**

The Corporation shall maintain in the Commonwealth of Massachusetts the original or attested copies of its Articles of Organization, by-laws and records of all meetings of incorporators and the Board of Directors, as well as the names of all Directors and the record address of each. Such copies and records may be maintained at the principal office of the Corporation or the office of the Clerk and shall be open at all reasonable times to the inspection of any Director.

## **ARTICLE XI – DISSOLUTION**

1. Upon the liquidation or dissolution of the Corporation, after payment of all the liabilities of the Corporation or due provision therefor, all of the assets of the Corporation shall be distributed exclusively to such other organization or organizations dedicated to educational, charitable, scientific, literary or religious purposes, such as are used in Section 501 (c) (3) of the Internal Revenue Code.

## **ARTICLE XII – MISCELLANEOUS**

1. No part of the assets of the Corporation and no part of any net earnings of the Corporation shall be divided among or inure to the private benefit of any officer or Director of the Corporation or any private individual or be appropriated for any purposes other than the purposes of the Corporation as herein set forth;

2. No substantial part of the activities of the Corporation shall be or include the carrying on of propaganda or otherwise attempting to influence legislation or participating in or intervening in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public office.

3. It is intended that the Corporation shall be entitled to exemption from federal income tax in accordance with the provisions of Sections 501(c) (3) of the Internal Revenue Code; and that it shall not be a private foundation within the meaning of Section 509(a) of the Internal Revenue Code.

4. All references herein to the Internal Revenue Code shall be deemed to refer to the Internal Revenue Code of 1986, as now in force or hereafter amended.