

Resolution No.: 18-1189
Introduced: June 12, 2018
Adopted: July 24, 2018

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY MARYLAND**

Lead Sponsor: County Council

SUBJECT: Approval of the Montgomery County Economic Development Corporation's Bylaws

Background

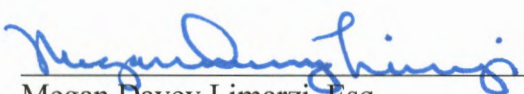
1. Section 30B-2 requires that the County Council designate a single non-profit corporation as the Montgomery County economic development corporation.
2. On March 15, 2016, the County Council adopted Resolution No. 18-425 designating the Montgomery County Economic Development Corporation (MCEDC) as Montgomery County's economic development corporation.
3. Section 22(g) of MCEDC's Bylaws require that the corporation submit all proposed amendments to its articles of incorporation and bylaws to the County Executive and the County Council for review, comment, and approval before the corporation takes final action.
4. On May 31, 2018, MCEDC submitted to the County Council proposed amendments to its bylaws.
5. On July 9, 2018, the Planning, Housing, and Economic Development Committee reviewed the proposed bylaw amendments.

Action

The County Council for Montgomery County, Maryland approves the following resolution:

The County Council approves the attached amendments to MCEDC's Bylaws.

This is a correct copy of Council action.


Megan Davey Limarzi, Esq.
Clerk of the Council



May 30, 2018

Montgomery County Council
100 Maryland Avenue, 6th Floor
Rockville, MD 20850

Dear County Council:

MCEDC's Board of Directors has proposed a series of changes and clarifications to its Bylaws based on recommendations from legal counsel. The modifications are intended to make the Bylaws consistent with the Maryland Open Meetings Act and to ensure consistency with actual practice.

MCEDC's Bylaws require that proposed amendments be submitted to the County Executive and the County Council for review, comment, and approval before final action can be taken on the proposed amendments.

A summary of the proposed changes, and a clean and red lined version of the Bylaws are enclosed for the Council's review, comment and approval. This information has also been provided to the County Executive.

Thank you for your consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read 'David Petr'.

David Petr
President & CEO



Summary of Proposed Clarifications

Section 4(b): Number and Composition of Board Members

- Clarified that the Workforce Development appointment is a voting member as set forth in the Montgomery County Code

Section 5(e)(iii)-(iv): Authority and Duties

- Clarified that the Secretary or Treasurer may appoint a designee, with Board approval, to assist in the performance of his/her duties. (e.g. delegating the preparation of minutes or the presentation of financial statements to staff)

Section 7: Committees

- Added Audit Committee as a Standing Committee of the Board
- Added language that Standing Committees must comply with all Open Meeting Act requirements with respect to notice, agendas, meeting minutes, closed sessions, etc
- Clarified that both the Executive Committee and the Governance Committee are both considered Standing Committees and both are bound by the Open Meetings Act requirements. In addition, any other Standing Committee created by the Board of Directors would be bound by the Open Meeting Act requirements.
- Minor grammar, punctuation and language changes

Summary of Proposed Changes

Section 6(d): Notice of Meetings/Agenda

- Revised provision to be consistent with amendments to Open Meeting Act requirements relating to agendas. In addition, updated Maryland Code sections that apply to MCEDC.

Section 6(e): Quorum

- Revised provision to provide that a quorum shall consist of a majority of the voting Directors then serving. Previous language provided that a quorum shall consist of at least fifty percent (50%) of the voting Directors then serving. Also made consistent for quorum of Standing Committee meetings. This change allows for more flexibility in discussions between members of the Board. For example, under the current Bylaws, if there was a committee of four, two members of that committee could not meet without it being considered a public meeting under the Open Meetings Act, requiring notice, agenda, publication, minutes, etc.

Section 6(f): Voting

- Deleted language from Section 6(f) regarding notice requirements for meeting adjourned because quorum was not met. This recommended deletion is in compliance with Open Meeting Act requirements. While it is acceptable for a voting body to wait a reasonable period of time to achieve a quorum, adjourning from time to time without notice would violate the Act.

Section 6(h): Action Without Meeting

- Deleted provision in its entirety. The provision allowed actions by the Board without a meeting by means of written consent when a meeting is "impracticable." Voting by written consent would not result in a quorum acting at the same time. The Attorney General's Manual still recognizes that the Act does not prescribe how a public body may act, for example, whether a meeting is required. However, the Manual specifically states that a public body that reaches decisions by other means might create a perception that it operates in the dark.

Section 7(a): Executive Committee

- Deleted language as duplicative as all Standing Committees are bound by the provisions of Open Meetings Act as stated in language suggested in Section 7

Section 7(e)-(h): Notice of Meetings, Quorum, Voting and Telephonic Attendance

- Added sections regarding committee quorum, composition, voting, etc. Made consistent with language surrounding regular Board meetings and consistent with Open Meeting Act requirements

Section 16: Signature Authority

- Revised Signatory Authority Section to state that matters over signatory authority for various actions are contained and set forth in the Financial Management Policies and Procedures as approved by the Board. If changes need to be made to fiscal policies, they can be made at policy level with the approval of the Board without having to update the bylaws.

Section 16 (d): Loans

- Added provision that provides that no loans may be made by the corporation without Board approval

Section 22(g): Compliance with County Laws

- Deletes provision requiring that proposed amendments to the Articles of Incorporation or Bylaws be submitted to the County Executive and County Council for review prior to taking action on the proposed amendments

**BYLAWS OF
MONTGOMERY COUNTY ECONOMIC DEVELOPMENT CORPORATION**

Introductory Statement¹

The following pages set forth the Bylaws of the Montgomery County Economic Development Corporation, as adopted by the Board of Directors and amended from time to time. The Bylaws should be read in their entirety, specifically including Paragraph 22, which sets forth specific provisions that are applicable to the Montgomery County Economic Development Corporation by virtue of the fact that it has been designated as the County's Economic Development Corporation under the provisions of Chapter 36 of the 2015 Laws of Montgomery County.

¹ The Introductory Statement is for explanatory purposes and is not a part of the Bylaws. In addition, any footnotes which have been added are for purposes of explanation and clarification and are not a part of the Bylaws.

BYLAWS

MONTGOMERY COUNTY ECONOMIC DEVELOPMENT CORPORATION

1. **NAME AND PURPOSES:** The name of this Corporation is "Montgomery County Economic Development Corporation" (the "Corporation") and is organized for the sole purpose of serving as Montgomery County, Maryland's (the "County") Economic Development Corporation and implementing the County's economic development strategic plan, adopted under Section 20-76, and related programs in a manner consistent with Chapter 36 of the 2015 Laws of Montgomery County, enacted by the County on June 30, 2015, as Bill No. 25-15, and effective October 6, 2015 (the "Act").
2. **PRINCIPAL OFFICE OF THE CORPORATION:** The principal office of the Corporation shall be designated by the Board of Directors, and must be located in the County.
3. **MEMBERSHIP:** The Directors of the Corporation shall constitute the members of the Corporation.
4. **BOARD OF DIRECTORS**
 - a. **Classes:** There shall be only one class of Directors.
 - b. **Number/Composition:** The business and affairs shall be governed by a Board of Directors, which shall be composed of 11 voting members appointed by the Montgomery County Executive (the "County Executive") and confirmed by the Montgomery County Council (the "County Council"). The County Executive should appoint a member of the Montgomery County Workforce Development Board as one of the voting members of the Corporation's Board of Directors. Each voting Director must either be a resident of the County or a senior manager in a for-profit or nonprofit entity that has a significant presence in the County. The Corporation's Board of Directors must also include one non-voting member appointed by the County Executive, and one non-voting member appointed by the County Council, and should have one non-voting member appointed by the Maryland Secretary of Commerce.
 - c. **Term:** The individual terms of the voting Directors must be staggered. Of the voting Directors first appointed, four must be appointed for a 1-year term, four must be appointed for a 2-year term, and three must be appointed for a 3-year term. Thereafter, each voting Director shall serve for a term of three (3) years or until the voting Director reaches the Term Limit described in Paragraph 4(e). A

voting Director continues in office until his or her successor is appointed and confirmed.

- d. **Appointment/ Vacancies:** At the time of each annual meeting of the Corporation, the County Executive shall appoint and the County Council shall confirm voting Directors to succeed voting Directors whose term is expiring. Vacancies occurring between annual meetings may be filled by appointment by the County Executive and confirmation by the County Council. A voting Director appointed to fill a vacancy serves the rest of the unexpired term.
- e. **Term Limits:** Directors, including Directors initially appointed to a term less than three years, shall be eligible to serve a total of six (6) consecutive years. After serving the maximum time allowed, the voting Director of the Board of Directors may again serve after being off the Board of Directors for one (1) year.
- f. **Removal:** A Director may be removed for cause by the majority vote of the Directors present at any meeting at which there is a quorum. For purposes of this Paragraph, the term "cause" shall include, but not be limited to, a violation of any provision of these Bylaws or a failure to participate in the activities of the Board of Directors, as evidenced by the failure to attend at least three (3) consecutive meetings of the Board of Directors. If a Director has been convicted of a felony or crime of moral turpitude by a court of competent jurisdiction, the Director shall be removed immediately.
- g. **Resignation:** A Director may resign only by submitting a written resignation to the Chair or to the other Directors if the resigning Director is the Chair.
- h. **Non-Voting Members of Board:** The Corporation shall invite each non-voting Board member to attend all meetings of the Board of Directors in person and in a non-voting capacity; and, in this respect, shall give each such non-voting Board member copies of all notices, minutes, consents, and other materials that it provides to the voting Directors at the same time and in the same manner as provided to such voting Directors. Notwithstanding the foregoing, no designee of any non-voting Director shall be entitled to attend any meeting of the Board of Directors or otherwise have any of the rights or privileges set forth in this Paragraph.
- i. **Economic Development Program:** The Board of Directors must recommend economic development programs and associated performance measures to the County Executive and County Council each year to advance the policy objectives and perform the activities listed in Section 30B-1 of the Act, including revisions to the County's strategic plan for economic development established by Section 20-76(a). In its economic development programs, the Corporation should

collaborate with the Montgomery County Workforce Development Board to advance the County's economic development strategic plan adopted under Section 20-76. The Corporation's economic development programs may include a plan for sponsorship of private investment, marketing, and advocacy initiatives.

- j. **Duties:** The Board of Directors shall direct the program, management, and finances of the Corporation. In addition, the Board of Directors shall meet with the County Executive and the County Council at least annually regarding the Corporation's activities and finances. The duties of each Director on the Board shall include, but not be limited to, (i) attending regular and special meetings of the Board of Directors, (ii) performing any activities appropriate or necessary to effectuate the purposes and objectives of the Corporation, and (iii) attending the Board of Directors' meetings with the County Executive and County Council described above in Paragraph 4(j).
- k. **Annual Reporting and Audit:** The Board of Directors must report annually on the activities and finances of the Corporation and must provide an audited financial statement of the Corporation to the County Executive and County Council by November 1 of each year. The report must also include the Corporation's plan to solicit and receive additional public and private funding for its operations.

5. OFFICERS OF THE BOARD OF DIRECTORS

- a. **Election/Vacancies:** The Officers shall consist of a Chair, Vice-Chair, Secretary and Treasurer and such additional officers, or assistant secretaries or assistant treasurers as the Board of Directors may from time to time elect. The Officers shall be elected at each annual meeting by the Board of Directors, from among the Directors. Any vacancy occurring in any office, for whatever reason, shall be filled by the Board of Directors, and any Director so elected shall fulfill the term of his/her predecessor.
- b. **Term:** Officers shall serve a term of one (1) year and until their successors are elected, or until they are removed pursuant to Paragraph 5(c). No elected officer of the Corporation shall serve more than three (3) consecutive terms in the same office.
- c. **Removal:** An officer may be removed for cause (which includes the violation of any provision of these Bylaws), as determined by a majority vote of the Directors present at any meeting at which there is a quorum. If an officer has been convicted of a felony or crime of moral turpitude by a court of competent jurisdiction, the Officer shall be removed immediately.

- d. **Resignation:** An officer may resign only by submitting a written resignation to the Chair or Secretary or to the other Directors, if the resigning officer is the Chair.
- e. **Authority and Duties:** The Officers shall have the authority and responsibility delegated by the Board of Directors as stated as follows:
- i. The Chair shall preside at and conduct all meetings of the Board of Directors and of the Executive Committee. The Chair may sign all contracts and agreements in the name of the Corporation after they have been approved by the Board of Directors, serve as the representative of the Corporation in meetings and discussions with other organizations and agencies, and otherwise perform all of the duties which are ordinarily the function of the office, or which are assigned by the Directors.
 - ii. The Vice-Chair shall perform the duties of the Chair if the Chair is unable to do so or is absent; perform such other tasks as may be assigned by the Board of Directors; and, at the request of the Chair, assist in the performance of the duties of the Chair.
 - iii. The Secretary shall see that accurate records and minutes are kept of all meetings of the Corporation; make available copies of the minutes of the previous meeting and distribute them in advance of each meeting; cause to be delivered all notices of meetings to those persons entitled to vote at such meeting; and maintain the Minutes Book of the Corporation and a current listing, with phone numbers and addresses, of the Directors at the office of the Corporation. The Secretary may appoint, with approval of the Board of Directors, a designee to assist in performance of all or part of the duties of the Secretary.
 - iv. The Treasurer shall oversee the deposit of funds of the Corporation into the proper accounts of the Corporation; the reconciliation of all receipts and disbursements from such account or accounts; the preparation of the books and records of the finances of the Corporation; the preparation of financial reports of the accounts for each meeting of the Board of Directors; and the preparation and filing of all end-of-the-year financial reports and federal and state tax reports. To the extent of available funds, such Treasurer shall be covered under an indemnity bond in an amount set by the Directors. The Treasurer may appoint, with the approval of the Board of Directors, a qualified fiscal agent or member of the staff to assist in the performance of all or part of the duties of the Treasurer.

- v. Other Officers elected by the Board of Directors shall perform such duties as may be specified by the Board of Directors or by the Officers given authority over them.

6. MEETINGS OF THE BOARD OF DIRECTORS

- a. **Annual Meeting:** The ~~A~~ annual ~~M~~ meeting of the Corporation shall be held at the June meeting of the Board of Directors, or at such other date and time as is determined by the Board of Directors.
- b. **Regular Meetings:** Regular meetings of the Board of Directors shall be held at least four (4) times a year, in June, September, December, and March, and may be scheduled more often by the Chair.
- c. **Special Meetings:** Special meetings of the Board of Directors shall be held at any time and at any place when called by the Chair or by at least three (3) Directors. Business transacted at special meetings shall be confined to the purposes of the meeting stated in the notice of the meeting.
- d. **Notice of Meetings/Agendas:** Notice of regular meetings of the Board of Directors, including the ~~A~~ annual ~~M~~ meeting, shall be in writing and delivered at least ten (10) days and not more than thirty (30) days before the day of the meeting. Notices of special meetings shall state that ~~it is a special meeting is~~ being called and may be given orally or in writing at least forty eight (48) hours prior to the meeting time. Written notices of meetings may be delivered electronically. ~~All Public notices of regular and special meetings shall further be provided in compliance with §3-302Section 10-506 of the General ProvisionsState Government Article of the Maryland Code or any successor provision and with Paragraph 6(g). An agenda for each regular and special meeting is required. The agenda, if determined, shall be made available when public notice of the meeting is provided, or as soon as practicable after the agenda has been determined, and in any event at least 24 hours prior to the meeting, except in cases of emergency. Failure of notice to any Director shall not invalidate the meeting or any action taken at the meeting.~~
- e. **Quorum:** At meetings of the Board of Directors, a quorum shall consist of ~~a majority of at least fifty percent (50%) of the voting Directors then serving.~~
- f. **Voting:** Except as otherwise provided in these Bylaws, a majority of all the votes cast at a meeting at which a quorum is present is sufficient to approve any matter which properly comes before the meeting. ~~In the absence of a quorum,~~

~~the Directors present in person or by proxy, by majority vote and without notice other than by announcement, may adjourn the meeting from time to time until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. Each Director shall have one vote, provided that a~~No non-voting member of the Board shall be entitled to vote under any circumstances. A Director may vote either in person or by written proxy signed by the Director or by his duly authorized attorney in fact.

- g. **Telephonic Attendance:** A voting Director may participate in and vote at any meeting of the Board of Directors in person or by electronic or telephonic conferencing, provided that all Directors can contemporaneously communicate with each other. Notice of any meeting in which all of the Directors will be participating telephonically (or by other electronic means) shall be provided as required and in the same manner for any in- person meeting except that, in lieu of giving the physical location of such meeting, such notice shall instead include a dial-in number or other electronic mechanism by which the public can listen to such meeting.

- ~~h. **Action Without Meeting:** In circumstances where a meeting is impracticable, any action which may be properly taken by the Board of Directors assembled in a meeting may also be taken without a meeting, if all Directors have been provided notice of the proposed action at least five (5) days before the proposed action and no Director has objected to such a process. if all of the voting Directors have unanimously consented to take such action in one or more written consents signed by all of the voting Directors. The written consents may be in electronic format. Such notices may be delivered electronically. Directors shall be notified of the action electronically, and Any the action taken shall be recorded with the minutes of the next meeting of the Board of Directors.~~

7. **COMMITTEES:** The Board of Directors may create such committees with such powers as it deems wise to have. The Chair shall appoint persons to chair and serve on those committees, and may appoint persons who are not Directors of the Corporation to serve on ~~c~~Committees. All ~~c~~Committee appointments shall be approved by the Board of Directors either prior to the appointment or be ratified at the next meeting of the Board of Directors. Except as otherwise specified, appointments to committees of the Board of Directors are for a term of one (1) year and may be renewed from year-to-year without limitation. ~~The Executive Committee and the Governance Committee shall be the standing committees.~~

The Executive Committee, and the Governance Committee and the Audit Committee shall be the standing committees. The standing committees shall be subject to the requirements of § 3-101 et seq., General Provisions Article of the Maryland Code.

- a. **Executive Committee:** The Executive Committee shall consist of the Chair, Vice-Chair, Secretary, and Treasurer. The Executive Committee shall develop recommendations with respect to various matters pertaining to the affairs of the Corporation and shall report such recommendations to the Board of Directors for action. In instances where special circumstances require expeditious action between meetings of the Board of Directors, the Executive Committee shall have the power to act in the same capacity and to the same extent as the Board of Directors. In the exercise of this authority, the Executive Committee shall be subject to the requirements of the Open Meetings Law as described in Paragraph 22. The minutes of the Executive Committee shall include a summary of the circumstances requiring any expeditious action taken by the Executive Committee, and the minutes shall be submitted to the Board of Directors.
- b. **Governance Committee:** The Governance Committee shall be appointed by the Chair and approved by the Board of Directors. The Governance Committee shall be responsible for:
- i. Formulating and recommending to the Board of Directors structural, organizational and process changes and improvements that promote the effective and efficient operations of the Corporation, appropriate control mechanisms and policies relative to the ethical operation and behavior of the Corporation and its Directors, Officers and employees.
 - ii. Nominating persons to serve as Officers. The Governance Committee also shall nominate persons to serve as the elected Officers of the Corporation. The Governance Committee shall be responsible for orientation and education of Directors.
- c. **Audit Committee:** The Audit Committee shall consist of at least fourthree members who shall be independent directors. The Audit Committee Chair will be appointed by the Board Chair. The Audit Committee shall assist the Board of Directors in fulfilling its oversight responsibility with respect to the financial reporting process, the system of internal controls, the audit process and with monitoring compliance with laws and regulations. A charter for the Audit Committee, setting out its roles, responsibilities and process, shall be adopted by a resolution of the Board.
- e.d. **Additional Standing Committees:** The Board of Directors may establish such additional standing committees as it determines are appropriate for the conduct of the business of the corporation. Each committee shall include at least two (2) Directors and may include persons who are not Directors. Members of a standing

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committees shall be appointed by the Chair and approved by the Board of Directors.

~~d.e.~~ **Special Committees:** The Chair of the Corporation or the Board of Directors may establish such special or ad hoc committees as they shall determine are necessary for the functioning of the Corporation. Each such committee shall be given a specific charge and term.

f. Notice of Meetings:

i. Notice of standing committee meetings of the Board of Directors, shall be in writing and delivered at least five (5) days and no more than thirty (30) days before the day of the meeting. Public notices of standing committee meetings shall be provided in compliance with Section §3-302 of the General Provisions Article of the Maryland Code or any successor provision and with Paragraph 7(h). An agenda for each standing committee meeting is required. The agenda, if determined, shall be made available when public notice of the meeting is provided, or as soon as practicable after the agenda has been determined, and in any event at least 24 hours prior to the meeting, except in cases of emergency. Failure of notice to any committee member shall not invalidate the meeting or any action taken at the meeting

ii. Notices of special committee meetings of the Board of Directors may be given orally or in writing at least ~~forty-eight~~ forty-eight (48) hours prior to the meeting time and shall state that a special meeting is being called.

iii. Written notices of meetings may be delivered electronically.

g. Quorum: At committee meetings, a quorum shall consist of a majority of the voting Committee members then serving.

h. Voting: Except as otherwise provided in these Bylaws, a majority of all the votes cast at a committee meeting at which a quorum is present is sufficient to approve any matter which properly comes before the meeting. Each Director shall have one vote. No non-voting member of the Board shall be entitled to vote under any circumstances. A Director may vote either in person or by written proxy signed by the Director or by his duly authorized attorney in fact.

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i. **Telephonic Attendance:** A voting Director may participate in and vote at any committee meeting in person or by electronic or telephonic conferencing, provided that all Directors can contemporaneously communicate with each other. Notice of any committee meeting in which all of the Directors will be participating telephonically (or by other electronic means) shall be provided as required and in the same manner for any in- person meeting except that, in lieu of giving the physical location of such meeting, such notice shall instead include a dial-in number or other electronic mechanism by which the public can listen to such meeting.

e. ~~**Committee Meetings:** Members of a committee may participate in and vote at any committee meeting in person or by electronic or telephonic conferencing, provided that all members can contemporaneously communicate with each other. In circumstances where a meeting is impracticable, any action which may be properly taken by a committee assembled in a meeting may also be taken without a meeting, if all members of the committee have been provided notice of the proposed action at least five (5) days before the proposed action and no member has objected to such a process. Such notices may be delivered electronically. Committee members shall be informed of the outcome of the action electronically, and the action shall be recorded in the minutes of the next meeting of the committee.~~

8. APPOINTED OFFICERS AND STAFF

- a. **Chief Executive Officer:** The Board of Directors shall appoint and may terminate the employment of a Chief Executive Officer, with a title appropriate to the functions of the office. The Board of Directors shall determine the salary, benefits or other compensation to be provided to the Chief Executive Officer.
- b. **Delegation of Authority:** The Board of Directors may delegate duties and customary authority to the Chief Executive Officer and staff of the Corporation. The duties and authority delegated shall be memorialized in written job descriptions.
- c. **Hiring of Staff:** Staff may be hired and terminated by the Chief Executive Officer, unless the Board of Directors reserves such authority for itself.
- d. **Board Participation:** The Chief Executive Officer shall attend and participate in meetings of the Board of Directors and of committees as staff to the Board of Directors and the committees, but shall not be entitled to a vote. The Chief Executive Officer may designate other staff members to provide staff support to committees of the Board of Directors.

9. CONFLICT OF INTEREST

- a. Except as provided in Paragraph 9(b) below, the Board of Directors shall not approve a self-dealing transaction. A self-dealing transaction is a contract or transaction to which the Corporation is a party and (i) in which one or more of the Directors, or Officers has a material financial interest, (ii) to which one or more of the Directors or Officers is a party, or (iii) to which any other corporation, firm, association or other entity in which one or more of the Directors or Officers are directors or officers or have a material financial interest, is a party.
- b. Any Director, Officer, employee or committee member having an interest or economic interest (as defined in Section 19A-11 of the County Code or any successor provision) in a contract or other transaction or determination presented to the Board of Directors or a committee of the Corporation for recommendation, authorization, approval or ratification shall give prompt, full and frank disclosure of his or her interest to the Board of Directors or committee prior to its acting on such contract or transaction or determination. The body to which such disclosure is made shall thereupon determine, by majority vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to such contract, transaction or determination. Such person may not be counted in determining the existence of a quorum for purposes of any vote on such contract, transaction or determination. The Board shall determine by majority vote of disinterested directors whether the contract, transaction or determination is commercially reasonable and represents fair market value. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable the abstention from voting and participation, and whether a quorum was present.
- c. The Board of Directors shall adopt a conflict of interest policy addressing these provisions of the Bylaws which upon its adoption shall hereby be incorporated by reference as part of these Bylaws the same as if such policy were set forth verbatim in these Bylaws, and each Director, Officer and employee of the Corporation shall annually sign a statement that (1) certifies compliance with the Corporation's conflict of interest policy and (2) discloses any of the person's financial interests and family relationships that could give rise to a conflict. .

10. **INDEMNIFICATION:** The Corporation shall indemnify its Directors and Officers to the fullest extent permitted by Maryland statutory and decisional law, as amended or interpreted, including the advancement of related expenses, upon a determination by the Board of Directors or independent legal counsel appointed by the Board of Directors (who

may be regular counsel for the Corporation) made in accordance with applicable statutory standards; provided, however, that such indemnification shall only be to the extent permitted of organizations which are exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provisions of any future United States Internal Revenue Law) and provided further that such indemnification shall not apply as to any matter which is ~~in violation of~~ ^{in violation of} the Act, the Articles, or the Bylaws. No amendment of the Articles or repeal of any of its provisions shall limit or eliminate the benefits provided to Directors and Officers under this provision with respect to any act or omission which occurred prior to such amendment or repeal.

11. **EXONERATION:** To the fullest extent permitted by Maryland statutory and decisional law, as amended or interpreted, no Director or Officer of the Corporation shall be personally liable to the Corporation or its members for money damages; provided, however, that the foregoing limitation of Director and Officer liability shall only be to the extent permitted of organizations which are exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provisions of any future United States Internal Revenue Law) and provided further that such limitation shall not apply as to any matter which is ~~in violation of~~ ^{in violation of} the Act, the Articles, or the Bylaws. No amendment of the Articles or repeal of any of its provisions shall limit or eliminate the benefits provided to Directors and Officers under this provision with respect to any act or omission which occurred prior to such amendment or repeal.
12. **INSURANCE:** The Corporation shall have the power to purchase and maintain insurance in such types and amounts as determined by the Board of Director's on behalf of any person who is or was a Director, Officer, employee or agent of the Corporation, or who, while a Director, officer, employee or agent of the Corporation is or was serving any other entity at the request of the Corporation, and in any capacity, against any liability, asserted against and incurred by such person in any such capacity or arising out of such person's position, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the Act, the Articles, or the Bylaws.
13. **MISCELLANEOUS PROVISIONS:** Except to the extent inconsistent with the Act, the Articles, or the Bylaws, or otherwise prohibited by law the indemnification provided in Paragraph 10 shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under the Articles, any bylaw, agreement, vote of disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in any other capacity while holding office, and shall continue as to a person who has ceased to be a Director, Officer, employee or agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.
14. **COMPENSATION:** The Directors and the elected Officers of the Corporation shall serve without compensation for their services as Directors or Officers. Directors and Officers

may be reimbursed for all expenses reasonably incurred on behalf of the Corporation and necessary for the performance of the Corporation's duties and in furtherance of the purposes set forth in Article II of the Article of Incorporation and consistent with the Act. Any payment to any Director, Officer, or employee of the Corporation that would otherwise constitute a conflict of interest (as set forth in the Bylaws or the Conflict of Interest Policy incorporated by reference into the Bylaws) shall be approved by the Board of Directors or the Executive Committee.

15. **INSPECTION OF CORPORATE RECORDS:** These Bylaws, the roster of Directors, the books of accounts and the minutes or proceedings of the Board of Directors and of the committees shall be open to inspection no later than ten (10) days after receipt of a written request, addressed to the Chair or the Secretary of the Corporation by a member of the Corporation for any purpose reasonably related to his/her interests as a member. Such records shall be made available for the same purpose at any Board of Directors meeting when requested by at least three (3) Directors. Inspection may be made in person or by an authorized agent or attorney and inspection includes the right to make extracts at the member's expense.

16. **SIGNATURE AUTHORITY:**

a. Checks: The Chief Executive Officer of the Corporation shall have the authority to (i) All sign checks, notes, acceptances, or other and orders for payment of money shall be signed by any individual(s) authorized by the Board of Directors as described in pursuant to the corporation's approved financial management policies (hereinafter "Financial Management Policies and Procedures") approved by the Board of Directors.

a.b. Electronic Payments or Transfer of Funds: Any ; and, (ii) authorize electronic payments; or transfer of funds as necessary for routine payroll transactions of the corporation (including payroll) shall be permitted by any individual(s) authorized by the Board of Directors and as described in the corporation's Ffinancial Mmanagement Ppolicies and Proceduresas approved by the Board of Directors, in amounts up to Five Thousand Dollars (\$5,000) without the necessity of a second approval signature.

b. All checks, notes, acceptances, and orders for payment of money in amounts of Five Thousand Dollars (\$5,000) or greater shall be signed, or authorized for electronic payment or transfer of funds, by any two (2) of the following: Chair, Vice Chair, Secretary, Treasurer (or other agents of the Corporation designated by the Board of Directors) or the Chief Executive Officer.

c. Contracts and Other Writings: All contracts, leases, and deeds of any kind for goods or services for Five Thousand Dollars (\$5,000) or greater shall be signed

by any individual(s) authorized by the Board of Directors as described in the corporation's Financial Management Policies and Procedures.

d. Loans: No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board of Directors. Such authority may be general or confined to specific instances.

17. **FISCAL YEAR:** The fiscal year of the Corporation shall be from July 1st to June 30th.
18. **AMENDMENTS:** ~~Subject to Paragraphs 23(d)-(e),~~ These Bylaws may be amended by a two-thirds (2/3) majority vote of the Directors then serving. The proposed amendment(s) shall be submitted to the Directors in writing with written notice of the meeting to decide on the proposed amendment(s) at least ten (10) days prior to the meeting date. ~~a~~Any such amendments must be consistent with the Act and the Articles.
19. **NON-DISCRIMINATION:** The Corporation shall not discriminate against any person on the basis of any characteristic described in Section 27-1(a) of Chapter 27 of the Montgomery County Code or on the basis of political opinion or affiliation in any of its policies, procedures or practices.
20. **SEAL:** The Seal of the Corporation shall be circular in form with the words "Montgomery County Economic Development Corporation", or such other name as the Board may designate as the name of the Corporation from time to time.
21. **DISSOLUTION:** The Corporation may be dissolved by a two-thirds (2/3) vote of the Directors then serving provided that notice of the proposed dissolution has been submitted to the Directors in writing with written notice of the meeting date to decide on the proposed dissolution at least thirty (30) days prior to the meeting date. In the event of dissolution, the Board of Directors shall dispose of all of the net assets of the Corporation exclusively to such organization(s) which are organized and operated exclusively as a corporation devoted to the improvement of business conditions of one or more lines of businesses and otherwise consistent with the purposes as shall at the time qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any remaining assets not disposed of by the Board of Directors shall be disposed of by the Court in the jurisdiction in which the principal office of the Corporation is then located, exclusively for such purposes or to such organizations.
22. **COMPLIANCE WITH COUNTY LAWS:** Notwithstanding any other provision in these Bylaws, while the Corporation is designated by the Montgomery County Council under the Act as the County's Economic Development Corporation, the Corporation shall:

- a. Adopt and apply policies and procedures to ensure that its actions are fair, unbiased, non-partisan and otherwise in compliance with the Montgomery County's Human Relations Law, Chapter 27 of the Montgomery County Code;
- b. Comply with the Maryland Open Meetings Law (§ ~~3-101~~~~40-501~~ *et seq.*, General Provisions Articles of the Maryland State Govt. Art., Md. Code and any successor provision). In addition to any notice required under Paragraph 6(d) and 7(e), the Corporation shall comply with the notice and other provisions of the Open Meetings Law as if it were a public body. Without limiting the generality of the foregoing, each meeting of the Board of Directors must be open to the public except when the meeting is properly closed on a recorded vote of the Board for a reason expressly listed in the Open Meetings Law;
- c. Comply with the Maryland Public Information Act (§ 4-101 *et seq.*, General Provisions Article of the Maryland, Md. Code and any successor provision);
- d. Make public data sets available on the web to improve public knowledge of the Corporation and its operation, further the Corporation's mission or increase the Corporation's accountability and responsiveness;
- e. Provide the County Executive and County Council, upon request, all non-confidential data produced and received by the Corporation, including research, economic data, and minutes of Board meetings;
- f. In the case of a vote on removal of a Director pursuant to Paragraph 4(f) or on the removal of an Officer pursuant to Paragraph 5(c), the notice of meeting specified in Paragraph 6(d) and 7(e) shall inform the Directors then serving of the proposed removal;
- ~~g. In addition to the provisions of Paragraph 18, submit to the County Executive and the County Council for review, comment, and approval any proposed amendment to the Articles of Incorporation or Bylaws at least sixty (60) days before the Corporation takes final action on the proposed amendment;~~
- ~~h.g.~~ Submit to the County Executive and the County Council a copy of all adopted amendments to the Articles of Incorporation and Bylaws within five (5) working days after adoption;
- ~~i.h.~~ In addition to the provisions of Paragraph 21, submit to the County Executive and the County Council for review, comment, and approval any proposed dissolution of the Corporation at least sixty (60) days before the Corporation takes final action on the proposed dissolution;
- ~~j.i.~~ Maintain its principal office within Montgomery County;

~~k.~~j. Provide the County regular and complete financial reports, including an annual independent audit and any accompanying management letter, and any other report required under contract with the County; and

~~l.~~k. Otherwise comply with and recognize that its Articles and Bylaws are subject to all County laws.

23. ANTI-RETALIATION POLICY

- a. The Corporation strictly prohibits any form of retaliation against an employee, Director or Officer who in good faith makes a complaint, raises a concern, provides information or otherwise assists in an investigation or proceeding regarding any conduct that ~~the Corporation~~ reasonably believes to be in violation of the Corporations Articles of Incorporation or Bylaws, or applicable laws, rules or regulations.
- b. No Director, Officer or employee should be discharged, demoted, suspended, threatened, harassed, intimidated, coerced, or retaliated against in any other manner as a result of ~~the Corporation~~ making a good faith complaint or assisting in the handling or investigation of a good faith complaint, that a provision of the Corporations Articles of Incorporation or Bylaws, or an applicable law, rule or regulation has been violated. The Corporation prohibits Directors, Officers or employees from being retaliated against even if their complaints are proven unfounded by an investigation, unless the Director, Officer or employee knowingly made a false allegation, provided false or misleading information in the course of an investigation, or otherwise acted in bad faith.
- c. Any Director, Officer, or employee who violates this policy is subject to disciplinary action, up to and including termination of service.

As amended by the Board of Directors on December 12, 2017.

Ola Sage, Secretary

BYLAWS OF
MONTGOMERY COUNTY ECONOMIC DEVELOPMENT CORPORATION

Introductory Statement¹

The following pages set forth the Bylaws of the Montgomery County Economic Development Corporation, as adopted by the Board of Directors and amended from time to time. The Bylaws should be read in their entirety, specifically including Paragraph 22, which sets forth specific provisions that are applicable to the Montgomery County Economic Development Corporation by virtue of the fact that it has been designated as the County's Economic Development Corporation under the provisions of Chapter 36 of the 2015 Laws of Montgomery County.

¹ The Introductory Statement is for explanatory purposes and is not a part of the Bylaws. In addition, any footnotes which have been added are for purposes of explanation and clarification and are not a part of the Bylaws.

BYLAWS

MONTGOMERY COUNTY ECONOMIC DEVELOPMENT CORPORATION

1. **NAME AND PURPOSES:** The name of this Corporation is “Montgomery County Economic Development Corporation” (the “Corporation”) and is organized for the sole purpose of serving as Montgomery County, Maryland’s (the “County”) Economic Development Corporation and implementing the County’s economic development strategic plan, adopted under Section 20-76, and related programs in a manner consistent with Chapter 36 of the 2015 Laws of Montgomery County, enacted by the County on June 30, 2015, as Bill No. 25-15, and effective October 6, 2015 (the “Act”).
2. **PRINCIPAL OFFICE OF THE CORPORATION:** The principal office of the Corporation shall be designated by the Board of Directors, and must be located in the County.
3. **MEMBERSHIP:** The Directors of the Corporation shall constitute the members of the Corporation.
4. **BOARD OF DIRECTORS**
 - a. **Classes:** There shall be only one class of Directors.
 - b. **Number/Composition:** The business and affairs shall be governed by a Board of Directors, which shall be composed of 11 voting members appointed by the Montgomery County Executive (the “County Executive”) and confirmed by the Montgomery County Council (the “County Council”). The County Executive should appoint a member of the Montgomery County Workforce Development Board as one of the voting members of the Corporation’s Board of Directors. Each voting Director must either be a resident of the County or a senior manager in a for-profit or nonprofit entity that has a significant presence in the County. The Corporation’s Board of Directors must also include one non-voting member appointed by the County Executive, and one non-voting member appointed by the County Council, and should have one non-voting member appointed by the Maryland Secretary of Commerce.
 - c. **Term:** The individual terms of the voting Directors must be staggered. Of the voting Directors first appointed, four must be appointed for a 1-year term, four must be appointed for a 2-year term, and three must be appointed for a 3-year term. Thereafter, each voting Director shall serve for a term of three (3) years or until the voting Director reaches the Term Limit described in Paragraph 4(e). A

voting Director continues in office until his or her successor is appointed and confirmed.

- d. **Appointment/ Vacancies:** At the time of each annual meeting of the Corporation, the County Executive shall appoint and the County Council shall confirm voting Directors to succeed voting Directors whose term is expiring. Vacancies occurring between annual meetings may be filled by appointment by the County Executive and confirmation by the County Council. A voting Director appointed to fill a vacancy serves the rest of the unexpired term.
- e. **Term Limits:** Directors, including Directors initially appointed to a term less than three years, shall be eligible to serve a total of six (6) consecutive years. After serving the maximum time allowed, the voting Director of the Board of Directors may again serve after being off the Board of Directors for one (1) year.
- f. **Removal:** A Director may be removed for cause by the majority vote of the Directors present at any meeting at which there is a quorum. For purposes of this Paragraph, the term “cause” shall include, but not be limited to, a violation of any provision of these Bylaws or a failure to participate in the activities of the Board of Directors, as evidenced by the failure to attend at least three (3) consecutive meetings of the Board of Directors. If a Director has been convicted of a felony or crime of moral turpitude by a court of competent jurisdiction, the Director shall be removed immediately.
- g. **Resignation:** A Director may resign only by submitting a written resignation to the Chair or to the other Directors if the resigning Director is the Chair.
- h. **Non-Voting Members of Board:** The Corporation shall invite each non-voting Board member to attend all meetings of the Board of Directors in person and in a non-voting capacity; and, in this respect, shall give each such non-voting Board member copies of all notices, minutes, consents, and other materials that it provides to the voting Directors at the same time and in the same manner as provided to such voting Directors. Notwithstanding the foregoing, no designee of any non-voting Director shall be entitled to attend any meeting of the Board of Directors or otherwise have any of the rights or privileges set forth in this Paragraph.
- i. **Economic Development Program:** The Board of Directors must recommend economic development programs and associated performance measures to the County Executive and County Council each year to advance the policy objectives and perform the activities listed in Section 30B-1 of the Act, including revisions to the County’s strategic plan for economic development established by Section 20-76(a). In its economic development programs, the Corporation should

collaborate with the Montgomery County Workforce Development Board to advance the County's economic development strategic plan adopted under Section 20-76. The Corporation's economic development programs may include a plan for sponsorship of private investment, marketing, and advocacy initiatives.

- j. **Duties:** The Board of Directors shall direct the program, management, and finances of the Corporation. In addition, the Board of Directors shall meet with the County Executive and the County Council at least annually regarding the Corporation's activities and finances. The duties of each Director on the Board shall include, but not be limited to, (i) attending regular and special meetings of the Board of Directors, (ii) performing any activities appropriate or necessary to effectuate the purposes and objectives of the Corporation, and (iii) attending the Board of Directors' meetings with the County Executive and County Council described above in Paragraph 4(j).
- k. **Annual Reporting and Audit:** The Board of Directors must report annually on the activities and finances of the Corporation and must provide an audited financial statement of the Corporation to the County Executive and County Council by November 1 of each year. The report must also include the Corporation's plan to solicit and receive additional public and private funding for its operations.

5. OFFICERS OF THE BOARD OF DIRECTORS

- a. **Election/Vacancies:** The Officers shall consist of a Chair, Vice-Chair, Secretary and Treasurer and such additional officers, or assistant secretaries or assistant treasurers as the Board of Directors may from time to time elect. The Officers shall be elected at each annual meeting by the Board of Directors, from among the Directors. Any vacancy occurring in any office, for whatever reason, shall be filled by the Board of Directors, and any Director so elected shall fulfill the term of his/her predecessor.
- b. **Term:** Officers shall serve a term of one (1) year and until their successors are elected, or until they are removed pursuant to Paragraph 5(c). No elected officer of the Corporation shall serve more than three (3) consecutive terms in the same office.
- c. **Removal:** An officer may be removed for cause (which includes the violation of any provision of these Bylaws), as determined by a majority vote of the Directors present at any meeting at which there is a quorum. If an officer has been convicted of a felony or crime of moral turpitude by a court of competent jurisdiction, the Officer shall be removed immediately.

- d. **Resignation:** An officer may resign only by submitting a written resignation to the Chair or Secretary or to the other Directors, if the resigning officer is the Chair.
- e. **Authority and Duties:** The Officers shall have the authority and responsibility delegated by the Board of Directors as stated as follows:
 - i. The Chair shall preside at and conduct all meetings of the Board of Directors and of the Executive Committee. The Chair may sign all contracts and agreements in the name of the Corporation after they have been approved by the Board of Directors, serve as the representative of the Corporation in meetings and discussions with other organizations and agencies, and otherwise perform all of the duties which are ordinarily the function of the office, or which are assigned by the Directors.
 - ii. The Vice-Chair shall perform the duties of the Chair if the Chair is unable to do so or is absent; perform such other tasks as may be assigned by the Board of Directors; and, at the request of the Chair, assist in the performance of the duties of the Chair.
 - iii. The Secretary shall see that accurate records and minutes are kept of all meetings of the Corporation; make available copies of the minutes of the previous meeting and distribute them in advance of each meeting; cause to be delivered all notices of meetings to those persons entitled to vote at such meeting; and maintain the Minutes Book of the Corporation and a current listing, with phone numbers and addresses, of the Directors at the office of the Corporation. The Secretary may appoint, with approval of the Board of Directors, a designee to assist in performance of all or part of the duties of the Secretary.
 - iv. The Treasurer shall oversee the deposit of funds of the Corporation into the proper accounts of the Corporation; the reconciliation of all receipts and disbursements from such account or accounts; the preparation of the books and records of the finances of the Corporation; the preparation of financial reports of the accounts for each meeting of the Board of Directors; and the preparation and filing of all end-of-the-year financial reports and federal and state tax reports. To the extent of available funds, such Treasurer shall be covered under an indemnity bond in an amount set by the Directors. The Treasurer may appoint, with the approval of the Board of Directors, a qualified fiscal agent or member of the staff to assist in the performance of all or part of the duties of the Treasurer.

- v. Other Officers elected by the Board of Directors shall perform such duties as may be specified by the Board of Directors or by the Officers given authority over them.

6. MEETINGS OF THE BOARD OF DIRECTORS

- a. **Annual Meeting:** The Annual Meeting of the Corporation shall be held at the June meeting of the Board of Directors, or at such other date and time as is determined by the Board of Directors.
- b. **Regular Meetings:** Regular meetings of the Board of Directors shall be held at least four (4) times a year, in June, September, December, and March, and may be scheduled more often by the Chair.
- c. **Special Meetings:** Special meetings of the Board of Directors shall be held at any time and at any place when called by the Chair or by at least three (3) Directors. Business transacted at special meetings shall be confined to the purposes of the meeting stated in the notice of the meeting.
- d. **Notice of Meetings/Agendas:** Notice of regular meetings of the Board of Directors, including the Annual Meeting, shall be in writing and delivered at least ten (10) days and not more than thirty (30) days before the day of the meeting. Notices of special meetings shall state that a special meeting is being called and may be given orally or in writing at least forty-eight (48) hours prior to the meeting time. Written notices of meetings may be delivered electronically. Public notices of regular and special meetings shall be provided in compliance with §3-302 of the General Provisions Article of the Maryland Code or any successor provision and with Paragraph 6(g). An agenda for each regular and special meeting is required. The agenda, if determined, shall be made available when public notice of the meeting is provided, or as soon as practicable after the agenda has been determined, and in any event at least 24 hours prior to the meeting, except in cases of emergency. Failure of notice to any Director shall not invalidate the meeting or any action taken at the meeting.
- e. **Quorum:** At meetings of the Board of Directors, a quorum shall consist of a majority of the voting Directors then serving.
- f. **Voting:** Except as otherwise provided in these Bylaws, a majority of all the votes cast at a meeting at which a quorum is present is sufficient to approve any matter which properly comes before the meeting. Each Director shall have one vote. No non-voting member of the Board shall be entitled to vote under any circumstances. A Director may vote either in person or by written proxy signed by the Director or by his duly authorized attorney in fact.

- g. **Telephonic Attendance:** A voting Director may participate in and vote at any meeting of the Board of Directors in person or by electronic or telephonic conferencing, provided that all Directors can contemporaneously communicate with each other. Notice of any meeting in which all of the Directors will be participating telephonically (or by other electronic means) shall be provided as required and in the same manner for any in- person meeting except that, in lieu of giving the physical location of such meeting, such notice shall instead include a dial-in number or other electronic mechanism by which the public can listen to such meeting.

- 7. **COMMITTEES:** The Board of Directors may create such committees with such powers as it deems wise to have. The Chair shall appoint persons to chair and serve on those committees, and may appoint persons who are not Directors of the Corporation to serve on committees. All committee appointments shall be approved by the Board of Directors either prior to the appointment or be ratified at the next meeting of the Board of Directors. Except as otherwise specified, appointments to committees of the Board of Directors are for a term of one (1) year and may be renewed from year-to-year without limitation.

The Executive Committee and the Governance Committee shall be the standing committees. The standing committees shall be subject to the requirements of § 3-101 *et seq.*, General Provisions Article of the Maryland Code.

- a. **Executive Committee:** The Executive Committee shall consist of the Chair, Vice-Chair, Secretary, and Treasurer. The Executive Committee shall develop recommendations with respect to various matters pertaining to the affairs of the Corporation and shall report such recommendations to the Board of Directors for action. In instances where special circumstances require expeditious action between meetings of the Board of Directors, the Executive Committee shall have the power to act in the same capacity and to the same extent as the Board of Directors to take the necessary actions, subject to any prior limitation imposed by the Board of Directors.
- b. **Governance Committee:** The Governance Committee shall be appointed by the Chair and approved by the Board of Directors. The Governance Committee shall be responsible for:
 - i. Formulating and recommending to the Board of Directors structural, organizational and process changes and improvements that promote the effective and efficient operations of the Corporation, appropriate control mechanisms and policies relative to the ethical operation and behavior of the Corporation and its Directors, Officers and employees.

- ii. Nominating persons to serve as Officers. The Governance Committee also shall nominate persons to serve as the elected Officers of the Corporation. The Governance Committee shall be responsible for orientation and education of Directors.
- c. **Audit Committee:** The Audit Committee shall consist of at least four members who shall be independent directors. The Audit Committee Chair will be appointed by the Board Chair. The Audit Committee shall assist the Board of Directors in fulfilling its oversight responsibility with respect to the financial reporting process, the system of internal controls, the audit process and with monitoring compliance with laws and regulations. A charter for the Audit Committee, setting out its roles, responsibilities and process, shall be adopted by a resolution of the Board.
- d. **Additional Standing Committees:** The Board of Directors may establish such additional standing committees as it determines are appropriate for the conduct of the business of the corporation. Each committee shall include at least two (2) Directors and may include persons who are not Directors. Members of a standing committee shall be appointed by the Chair and approved by the Board of Directors.

Special Committees: The Chair of the Corporation or the Board of Directors may establish such special or ad hoc committees as they shall determine are necessary for the functioning of the Corporation. Each such committee shall be given a specific charge and term.

- e. **Notice of Meetings:**
 - i. Notice of standing committee meetings of the Board of Directors, shall be in writing and delivered at least five (5) days and no more than thirty (30) days before the day of the meeting. Public notices of standing committee meetings shall be provided in compliance with Section §3-302 of the General Provisions Article of the Maryland Code or any successor provision and with Paragraph 7(h). An agenda for each standing meeting is required. The agenda, if determined, shall be made available when public notice of the meeting is provided, or as soon as practicable after the agenda has been determined, and in any event at least 24 hours prior to the meeting, except in cases of emergency. Failure of notice to any committee member shall not invalidate the meeting or any action taken at the meeting.

- ii. Notices of special committee meetings of the Board of Directors may be given orally or in writing at least forty-eight (48) hours prior to the meeting time and shall state that a special meeting is being called.
 - iii. Written notices of meetings may be delivered electronically.
- f. **Quorum:** At committee meetings, a quorum shall consist of a majority of the voting Directors then serving.
 - g. **Voting:** Except as otherwise provided in these Bylaws, a majority of all the votes cast at a committee meeting at which a quorum is present is sufficient to approve any matter which properly comes before the meeting. Each Director shall have one vote. No non-voting member of the Board shall be entitled to vote under any circumstances. A Director may vote either in person or by written proxy signed by the Director or by his duly authorized attorney in fact.
 - h. **Telephonic Attendance:** A voting Director may participate in and vote at any committee meeting in person or by electronic or telephonic conferencing, provided that all Directors can contemporaneously communicate with each other. Notice of any committee meeting in which all of the Directors will be participating telephonically (or by other electronic means) shall be provided as required and in the same manner for any in-person meeting except that, in lieu of giving the physical location of such meeting, such notice shall instead include a dial-in number or other electronic mechanism by which the public can listen to such meeting.

8. APPOINTED OFFICERS AND STAFF

- a. **Chief Executive Officer:** The Board of Directors shall appoint and may terminate the employment of a Chief Executive Officer, with a title appropriate to the functions of the office. The Board of Directors shall determine the salary, benefits or other compensation to be provided to the Chief Executive Officer.
- b. **Delegation of Authority:** The Board of Directors may delegate duties and customary authority to the Chief Executive Officer and staff of the Corporation. The duties and authority delegated shall be memorialized in written job descriptions.
- c. **Hiring of Staff:** Staff may be hired and terminated by the Chief Executive Officer, unless the Board of Directors reserves such authority for itself.
- d. **Board Participation:** The Chief Executive Officer shall attend and participate in meetings of the Board of Directors and of committees as staff to the Board of Directors and the committees, but shall not be entitled to a vote. The Chief

Executive Officer may designate other staff members to provide staff support to committees of the Board of Directors.

9. CONFLICT OF INTEREST

- a. Except as provided in Paragraph 9(b) below, the Board of Directors shall not approve a self-dealing transaction. A self-dealing transaction is a contract or transaction to which the Corporation is a party and (i) in which one or more of the Directors, or Officers has a material financial interest, (ii) to which one or more of the Directors or Officers is a party, or (iii) to which any other corporation, firm, association or other entity in which one or more of the Directors or Officers are directors or officers or have a material financial interest, is a party.
- b. Any Director, Officer, employee or committee member having an interest or economic interest (as defined in Section 19A-11 of the County Code or any successor provision) in a contract or other transaction or determination presented to the Board of Directors or a committee of the Corporation for recommendation, authorization, approval or ratification shall give prompt, full and frank disclosure of his or her interest to the Board of Directors or committee prior to its acting on such contract or transaction or determination. The body to which such disclosure is made shall thereupon determine, by majority vote, whether the disclosure shows that a conflict of interest exists or can reasonably be construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to such contract, transaction or determination. Such person may not be counted in determining the existence of a quorum for purposes of any vote on such contract, transaction or determination. The Board shall determine by majority vote of disinterested directors whether the contract, transaction or determination is commercially reasonable and represents fair market value. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable the abstention from voting and participation, and whether a quorum was present.
- c. The Board of Directors shall adopt a conflict of interest policy addressing these provisions of the Bylaws which upon its adoption shall hereby be incorporated by reference as part of these Bylaws the same as if such policy were set forth verbatim in these Bylaws, and each Director, Officer and employee of the Corporation shall annually sign a statement that (1) certifies compliance with the Corporation's conflict of interest policy and (2) discloses any of the person's financial interests and family relationships that could give rise to a conflict. .

10. **INDEMNIFICATION:** The Corporation shall indemnify its Directors and Officers to the fullest extent permitted by Maryland statutory and decisional law, as amended or interpreted, including the advancement of related expenses, upon a determination by the Board of Directors or independent legal counsel appointed by the Board of Directors (who may be regular counsel for the Corporation) made in accordance with applicable statutory standards; provided, however, that such indemnification shall only be to the extent permitted of organizations which are exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provisions of any future United States Internal Revenue Law) and provided further that such indemnification shall not apply as to any matter which is in violation of the Act, the Articles, or the Bylaws. No amendment of the Articles or repeal of any of its provisions shall limit or eliminate the benefits provided to Directors and Officers under this provision with respect to any act or omission which occurred prior to such amendment or repeal.
11. **EXONERATION:** To the fullest extent permitted by Maryland statutory and decisional law, as amended or interpreted, no Director or Officer of the Corporation shall be personally liable to the Corporation or its members for money damages; provided, however, that the foregoing limitation of Director and Officer liability shall only be to the extent permitted of organizations which are exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provisions of any future United States Internal Revenue Law) and provided further that such limitation shall not apply as to any matter which is in violation of the Act, the Articles, or the Bylaws. No amendment of the Articles or repeal of any of its provisions shall limit or eliminate the benefits provided to Directors and Officers under this provision with respect to any act or omission which occurred prior to such amendment or repeal.
12. **INSURANCE:** The Corporation shall have the power to purchase and maintain insurance in such types and amounts as determined by the Board of Director's on behalf of any person who is or was a Director, Officer, employee or agent of the Corporation, or who, while a Director, officer, employee or agent of the Corporation is or was serving any other entity at the request of the Corporation, and in any capacity, against any liability, asserted against and incurred by such person in any such capacity or arising out of such person's position, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the Act, the Articles, or the Bylaws.
13. **MISCELLANEOUS PROVISIONS:** Except to the extent inconsistent with the Act, the Articles, or the Bylaws, or otherwise prohibited by law the indemnification provided in Paragraph 10 shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under the Articles, any bylaw, agreement, vote of disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in any other capacity while holding office, and shall continue as to a person who

has ceased to be a Director, Officer, employee or agent of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.

14. **COMPENSATION:** The Directors and the elected Officers of the Corporation shall serve without compensation for their services as Directors or Officers. Directors and Officers may be reimbursed for all expenses reasonably incurred on behalf of the Corporation and necessary for the performance of the Corporation's duties and in furtherance of the purposes set forth in Article II of the Article of Incorporation and consistent with the Act. Any payment to any Director, Officer, or employee of the Corporation that would otherwise constitute a conflict of interest (as set forth in the Bylaws or the Conflict of Interest Policy incorporated by reference into the Bylaws) shall be approved by the Board of Directors or the Executive Committee.
15. **INSPECTION OF CORPORATE RECORDS:** These Bylaws, the roster of Directors, the books of accounts and the minutes or proceedings of the Board of Directors and of the committees shall be open to inspection no later than ten (10) days after receipt of a written request, addressed to the Chair or the Secretary of the Corporation by a member of the Corporation for any purpose reasonably related to his/her interests as a member. Such records shall be made available for the same purpose at any Board of Directors meeting when requested by at least three (3) Directors. Inspection may be made in person or by an authorized agent or attorney and inspection includes the right to make extracts at the member's expense.
16. **SIGNATURE AUTHORITY:**
 - a. Checks: All checks, notes, acceptances, or other orders for payment of money shall be signed by any individual(s) authorized by the Board of Directors pursuant to the corporation's approved financial management policies (hereinafter "Financial Management Policies and Procedures").
 - b. Electronic Payments or Transfer of Funds: Any electronic payments or transfer of funds as necessary for routine transactions of the corporation (including payroll) shall be permitted by any individual(s) authorized by the Board of Directors in the corporation's Financial Management Policies and Procedures
 - c. Contracts and Other Writings: All contracts, leases, and deeds of any kind shall be signed by any individual(s) authorized by the Board of Directors as described in the corporation's Financial Management Policies and Procedures.
 - d. Loans: No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board of Directors. Such authority may be general or confined to specific instances.

17. **FISCAL YEAR:** The fiscal year of the Corporation shall be from July 1st to June 30th.
18. **AMENDMENTS:** These Bylaws may be amended by a two-thirds (2/3) vote of the Directors then serving. The proposed amendment(s) shall be submitted to the Directors in writing with written notice of the meeting to decide on the proposed amendment(s) at least ten (10) days prior to the meeting date. Any such amendments must be consistent with the Act and the Articles.
19. **NON-DISCRIMINATION:** The Corporation shall not discriminate against any person on the basis of any characteristic described in Section 27-1(a) of Chapter 27 of the Montgomery County Code or on the basis of political opinion or affiliation in any of its policies, procedures or practices.
20. **SEAL:** The Seal of the Corporation shall be circular in form with the words “Montgomery County Economic Development Corporation”, or such other name as the Board may designate as the name of the Corporation from time to time.
21. **DISSOLUTION:** The Corporation may be dissolved by a two-thirds (2/3) vote of the Directors then serving provided that notice of the proposed dissolution has been submitted to the Directors in writing with written notice of the meeting date to decide on the proposed dissolution at least thirty (30) days prior to the meeting date. In the event of dissolution, the Board of Directors shall dispose of all of the net assets of the Corporation exclusively to such organization(s) which are organized and operated exclusively as a corporation devoted to the improvement of business conditions of one or more lines of businesses and otherwise consistent with the purposes as shall at the time qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any remaining assets not disposed of by the Board of Directors shall be disposed of by the Court in the jurisdiction in which the principal office of the Corporation is then located, exclusively for such purposes or to such organizations.
22. **COMPLIANCE WITH COUNTY LAWS:** Notwithstanding any other provision in these Bylaws, while the Corporation is designated by the Montgomery County Council under the Act as the County’s Economic Development Corporation, the Corporation shall:
 - a. Adopt and apply policies and procedures to ensure that its actions are fair, unbiased, non-partisan and otherwise in compliance with the Montgomery County’s Human Relations Law, Chapter 27 of the Montgomery County Code;
 - b. Comply with the Maryland Open Meetings Law (§ 3-101 *et seq.*, General Provisions Articles of the Maryland Code and any successor provision). In addition to any notice required under Paragraph 6(d) and 7(e), the Corporation shall comply with the notice and other provisions of the Open Meetings Law as if it were a public body. Without limiting the generality of the foregoing, each

meeting of the Board of Directors must be open to the public except when the meeting is properly closed on a recorded vote of the Board for a reason expressly listed in the Open Meetings Law;

- c. Comply with the Maryland Public Information Act (§ 4-101 *et seq.*, General Provisions Article of the Maryland Code and any successor provision);
- d. Make public data sets available on the web to improve public knowledge of the Corporation and its operation, further the Corporation's mission or increase the Corporation's accountability and responsiveness;
- e. Provide the County Executive and County Council, upon request, all non-confidential data produced and received by the Corporation, including research, economic data, and minutes of Board meetings;
- f. In the case of a vote on removal of a Director pursuant to Paragraph 4(f) or on the removal of an Officer pursuant to Paragraph 5(c), the notice of meeting specified in Paragraph 6(d) and 7(e) shall inform the Directors then serving of the proposed removal;
- g. Submit to the County Executive and the County Council a copy of all adopted amendments to the Articles of Incorporation and Bylaws within five (5) working days after adoption;
- h. In addition to the provisions of Paragraph 21, submit to the County Executive and the County Council for review, comment, and approval any proposed dissolution of the Corporation at least sixty (60) days before the Corporation takes final action on the proposed dissolution;
- i. Maintain its principal office within Montgomery County;
- j. Provide the County regular and complete financial reports, including an annual independent audit and any accompanying management letter, and any other report required under contract with the County; and
- k. Otherwise comply with, and recognize that its Articles and Bylaws are subject to, all County laws.

23. ANTI-RETALIATION POLICY

- a. The Corporation strictly prohibits any form of retaliation against an employee, Director or Officer who in good faith makes a complaint, raises a concern, provides information or otherwise assists in an investigation or proceeding regarding any conduct that the person reasonably believes to be in violation of

the Corporations Articles of Incorporation or Bylaws, or applicable laws, rules or regulations.

- b. No Director, Officer or employee should be discharged, demoted, suspended, threatened, harassed, intimidated, coerced, or retaliated against in any other manner as a result of making a good faith complaint or assisting in the handling or investigation of a good faith complaint, that a provision of the Corporations Articles of Incorporation or Bylaws, or an applicable law, rule or regulation has been violated. The Corporation prohibits Directors, Officers or employees from being retaliated against even if their complaints are proven unfounded by an investigation, unless the Director, Officer or employee knowingly made a false allegation, provided false or misleading information in the course of an investigation, or otherwise acted in bad faith.
- c. Any Director, Officer, or employee who violates this policy is subject to disciplinary action, up to and including termination of service.

As amended by the Board of Directors on December 1, 2017.

Ola Sage, Secretary