

**BYLAWS OF
POTTSTOWN BOROUGH LAND BANK**

(A Pennsylvania Public Body Corporate and Politic
Established under Chapter 21 of Title 68 of the Pennsylvania Consolidated Statutes)

ARTICLE I: BOARD OF DIRECTORS

Section 1. Powers. The affairs and activities of the Pottstown Borough Land Bank ("Land Bank") shall be managed and controlled and its powers exercised by a Board of Directors (the "Board"), except as otherwise provided by statute or these Bylaws. The Board shall exercise all corporate powers and conduct, manage, and control the affairs and property of the Land Bank consistent with applicable federal and state law, these Bylaws, and Ordinance No. 2169 ("Land Bank Ordinance") of the Burgess and Town Council of the Borough of Pottstown ("Council").

Section 2. Number of members. As provided in the Land Bank Ordinance, the Board of Directors of the Land Bank shall be composed of five (5) members ("members"). As used in these Bylaws "the entire Board of Directors" means the total number of members that the Board would have if there were no vacancies. The Board shall not have authority to modify the size of the Board under any provision of these Bylaws.

Section 3. Compensation and Expenses. Members of the Board shall serve without compensation and may seek reimbursement for expenses associated with the duties relating to Land Bank activities.

Section 4. Required Attendance at Meetings. A member who fails to attend three (3) consecutive meetings of the Board, without good cause, may be removed by a majority vote of the entire Board of Directors at any time up to sixty (60) days after the date of the third missed meeting. The Board shall request the Council to appoint a new member.

Section 5. Resignations. A member of the Board may resign at any time by giving written notice to the Chair or the Secretary of the Board. Such resignation shall take effect on the date of receipt, or on any later time specified in the notice.

Section 6. Removal. In addition to removal as permitted in Section 4 of this Article, a member may be removed by majority vote of the other members of the Board at a regular Board meeting for failing to comply with these Bylaws or any other rule or standard adopted by the Board. A member removed under Section 4 or 6 of this Article shall be ineligible for reappointment to the Board unless the reappointment is confirmed unanimously by the entire Board of Directors.

Section 7. Vacancies. Any vacancy in the Board shall be filled for the balance of the unexpired term by appointment by the Council.

Section 8. Additional Personnel. The Board may, from time to time, employ or enter into a contract for an executive director, solicitor, counsel and/or legal staff, technical experts, and other individuals, each of whom shall perform such duties as the Board may from time to time determine. The Board may determine the qualifications and fix the compensation and benefits of those employees and contractors.

Section 9. Committees. The Board may by resolution establish such committees as may be needed to assist the Board in conducting the business of the Land Bank. Committee members shall be appointed by the Chair and each committee shall include at least one member of the Board. Any business proposed by a committee shall require approval by the Board. Members of committees may include members of the Board and individuals who are not members of the Board.

Section 10. Confidentiality. All officers, members of the Board, employees and agents of the Land Bank must hold all matters learned through their positions (but not public information) confidential except for the use and purposes of the Land Bank and no such person may use confidential information for his, her, or its direct or indirect gain.

ARTICLE II: OFFICERS

Section 1. Election and Term of Office. At the first regular meeting of the entire Board of Directors and thereafter at the first meeting of each calendar year, the Board shall elect a Chair, a Vice Chair, a Secretary, and a Treasurer from among its members. The officers so duly elected shall hold office for one year or until their successors are appointed and qualified. Any officer may be removed from office by a majority vote of the entire Board of Directors for failure to fulfill his or her duties as an officer.

Section 2. Chair. The Chair shall preside at all meetings of the Board. Except as resolved by resolution of the Board, the Chair shall sign all contracts, deeds and other instruments made by the Board. At each meeting, the Chair shall submit such recommendations and information as he or she may consider proper concerning the business, affairs and policies of the Board.

Section 3. Vice Chair. The Vice Chair shall perform the duties of the Chair in the absence or incapacity of the Chair; and in the case of the resignation or death of the Chair, the Vice Chair shall perform such duties as are imposed upon the Chair until such time as the Board shall elect a new Chair.

Section 4. Secretary. The Secretary shall keep the records of the Board, shall act as Secretary of the meetings of the Board and record all votes, and shall keep a record of the proceedings of the Board in a journal of proceedings to be kept for such purpose, and shall perform all duties incidental to this office.

Section 5. Treasurer. Except as otherwise authorized by resolution of the Board, the Treasurer shall have the care and custody of all funds of the Board and shall deposit and invest the same in the name of the Board in such financial institutions and instruments as the Board shall select. The Treasurer shall sign all orders and checks for the payment of money, and shall pay out and disburse such monies under the direction of the Board. Except as otherwise authorized by resolution of the Board, all such orders and checks shall be countersigned by the Chair or the Executive Director. The Treasurer shall keep regular books of accounts showing receipts and expenditures, and shall render periodically to the Board an account of his or her transactions and also the financial condition of the Board.

Section 6. Additional Duties. The officers of the Board shall perform such other duties and functions as may from time to time be required by the Board or the Bylaws or rules and regulations of the Board, or as directed by legislation from the Council or the Commonwealth of Pennsylvania.

ARTICLE III: MEETINGS

Section 1. Physical Presence. Members may only attend and participate in meetings of the Board by being physically present. Use of conference telephone or similar communications equipment, or any Internet application, which allows all persons participating in the meeting to hear each other at the same time by a member constitutes the member's being physically present at the meeting. No member of the Board may vote by proxy.

Section 2. Public Notice. Public notice of meetings involving official action and deliberations by a quorum of the Board shall be given, and such meetings shall be held, in compliance with the Sunshine Act, 65 Pa. C.S.A. §§ 701-716.

Section 3. Regular Monthly Meetings. A regular meeting schedule shall be determined by the Board in the first meeting of the calendar year. Regular meetings shall be held at such dates and times as are adopted. No notice to members shall be required for any such regular meeting of the Board.

Section 4. Special Meetings. The Chair may, when he or she deems it expedient, and shall upon the written request of a majority of the entire Board of Directors, call a Special Meeting of the Board for the purpose of transacting any business designated in the call. The call for a Special Meeting may be mailed (via electronic mail) or delivered to each member of the Board or may be mailed (via regular mail) to the business or home address of each member. Such notice must be sent in a manner ensuring that it will be received at least 24 hours in advance of the time of the Special Meeting and advertised in accordance with the Pennsylvania Sunshine Act. The call shall state the purposes, time and place of the Special Meeting and that no business shall be considered other than as designated in the call.

Section 5. Emergency Meetings. No public notice is necessary for Emergency Meetings of the Board called for the purpose of dealing with a real or potential emergency involving a clear and present danger to life or property.

Section 6. Waiver of Notice. Notice of a Special or Emergency Meeting need not be given to any member who submits a signed waiver of notice either before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

Section 7. Place of Meetings. The Board may hold its meetings at such place or places as the Chair may from time to time determine.

Section 8. Quorum. At all meetings of the Board, a majority of the five members of the Board of Directors shall constitute a quorum for the purpose of transacting business. If at any meeting of the Board, there shall be less than a quorum present, a majority of those members present may adjourn the meeting from time to time until a quorum shall be present. Except as set forth below, all actions of the Board may be taken by a vote of the majority of the members present and voting at any meeting where a quorum exists. Action of the Board on the following matters must be approved by a majority of the entire Board of Directors (i) adoption, repeal or amendment of Bylaws, (ii) adoption, repeal or amendment of rules governing the conduct of the Land Bank, (iii) hiring or firing of an employee or contractor of the Land Bank (this function may, by majority vote of the entire Board of Directors, be delegated by the Board to a specified officer or committee of the Land Bank), (iv) incurring of debt, (v) adoption or amendment of the annual budget, (vi) sale, lease, encumbrance or alienation of real property or personal property with a value of more than Fifty Thousand Dollars (\$50,000). A resolution relating to dissolution of the Land Bank must be approved by a vote of two-thirds of the entire Board of Directors.

Section 9. Roberts Rules. All meetings shall be conducted according to Roberts Rules of Order.

Section 10. Order of Business. The order of business at regular meetings of the Board shall be as follows:

- a. Public comment
- b. Roll call
- c. Reading and approval of minutes of the previous meeting
- d. Bills and communications
- e. Report of the Executive Director or other appropriate staff
- f. Unfinished business
- g. New business
- h. Adjournment.

Section 11. Manner of Voting. The voting on all matters coming before the Board shall be by voice vote unless the Chair or a member shall call for a roll call vote, and the ayes and

nays shall be entered upon the minutes of such meeting, unless the vote is unanimous of all present, and in that case the minutes shall so indicate.

Section 12. Minutes. Minutes of all meetings of the Board and its committees shall be made and maintained.

Section 13. Actions by Consent. Any action which may be taken at a meeting of the Board, may be taken without a meeting, if a consent or consents in writing setting forth the actions so taken shall be signed by each board member and shall be filed with the Secretary of the Land Bank.

ARTICLE IV: LEGAL REPRESENTATION AND INDEMNIFICATION OF BOARD MEMBERS AND EMPLOYEES

Section 1. Legal Representation.

- (a) The Land Bank upon written request shall provide legal representation to any person who was or is a Board member, employee or agent of the Land Bank when an action is threatened or brought against such person and the acts or omissions which gave rise to the claim were within the scope of the office or duties of such person, unless or until there is a judicial determination that such acts or omissions were not within the scope of the office or duties of such person.
- (b) If, pursuant to subsection (a) above, the Land Bank does not provide legal representation, the Land Bank shall reimburse any present or former Board member, employee or agent of the Land Bank for reasonable expenses of such person's legal defense if there is a judicial determination that the acts or omissions were, or that such person in good faith reasonably believed that such acts or omissions were, within the scope of such person's office or duties; provided, however, that the Land Bank need not reimburse such person when there is a judicial determination that such acts or omissions constituted a crime, fraud, malice or willful misconduct.
- (c) In any instance where the Land Bank provides legal representation to a present or former Board member, employee or agent of the Land Bank, the Land Bank shall assume exclusive control of the defense. If legal counsel provided by the Land Bank determines that the interests of the Land Bank and the present or former Board member, employee or agent are conflicting, the Land Bank shall obtain the written consent of such person to continue such representation notwithstanding any such conflict or supply independent representation.

Section 2. Indemnity.

- (a) The Land Bank shall indemnify any person who was or is a Board member, employee or agent of the Land Bank against all reasonable costs and expenses (including without limitation judgments, penalties, fines, amounts paid in settlement, etc.) incurred in any actual or threatened investigation or proceeding (whether civil, criminal, administrative or otherwise) if such person, acting within

the scope of his or her office or duties as a Board member, employee, consultant or agent of the Land Bank acted, (i) in good faith, (ii) in a manner such person believed to be in the best interest of the Land Bank, and (iii) with respect to criminal matters, without knowledge that such actions were unlawful. As to (i) and (ii) above, it shall be presumed that a person acted in good faith and in a manner such person believed to be in the best interest of the Land Bank unless and until it shall be finally adjudged that such person acted in a manner which such person knew or reasonably should have known not to be in good faith or in the best interests of the Land Bank; or the Land Bank shall determine that such person acted in a manner which such person knew or reasonably should have known not to be in good faith or in the best interests of the Land Bank, and shall have received the opinion of its independent counsel that indemnification may be improper under the circumstances. As to (iii) above, a conviction or judgment (whether after trial or based on a plea of guilty or nolo contendere or otherwise) shall not be deemed an adjudication adverse to the person to be indemnified unless it shall also be adjudged in such conviction or judgment that such person knew or reasonably should have known such actions to be unlawful.

- (b) It is the intent and obligation of the Land Bank to indemnify each former and present Board member, employee or agent in accordance with this indemnity provision to the maximum extent permitted by law. If any portion of this Article IV is declared to be illegal or unenforceable, then the remaining portions of this Article IV shall be interpreted so as to provide the maximum indemnity permitted by law.
- (c) Any person entitled to indemnity pursuant to this Section shall, as a precondition to such indemnity, inform and consult with the Land Bank prior to incurring any cost or expense for which indemnity is requested. Payment of expenses to be indemnified shall be made as and when incurred by the person to be indemnified, except as otherwise directed by the Land Bank.
- (d) To be eligible for defense and indemnification, a Land Bank Board member shall be obligated to:
 - i. Notify, within five days of receipt, the Board Chair of the Land Bank about any claim made against the member and deliver all written demands, complaints and other legal papers received with respect to such claim.
 - ii. Cooperate during the investigation and defense of any claim against the Borough, the Land Bank or any member of the Land Bank, including, but not limited to, preparing for and attending depositions, hearings and trials and otherwise assisting in securing and giving evidence.

Section 3. Insurance. The Land Bank shall obtain insurance to defend and indemnify the Land Bank and the members of the Board of Directors with respect to any eligible claims or judgments arising out of their activities as Board members with respect to all eligible negligence claims, and claims or judgments arising out of Land Bank activities performed on behalf of the Land Bank or Borough.

Section 4. Additional Rights. The obligations of the Land Bank as set forth in this Article IV shall:

- (a) be in addition to and supplemental to any rights of indemnity pursuant to any insurance contracts;
- (b) be in addition to and supplemental to any right of indemnity pursuant to the “Sovereign Immunity Act”, the “Political Subdivisions Tort Claims Act” or any other right to indemnity; and not constitute a waiver of any immunity which might be available to the person entitled to indemnity.

ARTICLE V AMENDMENT

Section 1. Amendments. Except as provided in Article VI, Section 3, notice of such proposed alteration, amendment or repeal of these Bylaws shall be given in writing to each member at least ten (10) days prior to the meeting at which action thereon is to be taken. Such notice must include the wording of the proposed change to the Bylaws.

ARTICLE VI GENERAL

Section 1. Seal. The Land Bank shall have a corporate seal in the form of a circle containing the name of the Land Bank, the year of its incorporation and such other details as may be approved by the Board.

Section 2. Fiscal Year. The Fiscal Year of the Land Bank shall begin on January 1 and end on December 31 of the same year.

Section 3. Land Bank Purposes Restriction. Notwithstanding any other provision of these Bylaws to the contrary only such powers shall be exercised as are in furtherance of the purposes of the Land Bank and as may be exercised by a land bank organized pursuant to Chapter 21 of Title 68 of the Pennsylvania Consolidated Statutes (“Land Bank Act”) and the Land Bank Ordinance. Upon amendment of the Land Bank Act or the Land Bank Ordinance, any provision of these Bylaws which is rendered inconsistent with such amendment shall, without further action of the Board, be deemed voided and rescinded.