



## **EXCERPT FROM**

### **AMENDED AND RESTATED BYLAWS OF THE NEVADA AFFORDABLE HOUSING ASSISTANCE CORPORATION (As Amended Through March 7, 2018)**

#### **ARTICLE 3** **THE BOARD**

##### Section 3.1 Board Constitution, Selection Process and Term of Office.

(a) The Board shall consist of five (5) members (individually a “Board Member” and collectively the “Board Members”) with additional non-voting seats on the Board for the then Chief Operating Officer and Executive Director of the Corporation (the “Non-Voting Members”). All of the Board Members shall be residents of Nevada. Two (2) Board Members (the “Housing Division Directors”) will be appointed by the Administrator (the “Administrator”) of the Housing Division of the Nevada Department of Business and Industry. One (1) Board Member (the “B&I Director”) shall be appointed by the Director (the “Head of B&I”) of the Nevada Department of Business & Industry. Two (2) Board Members will be Independent Directors. The Independent Directors shall be persons who are not employees or representatives of the State of Nevada. The Independent Directors shall be persons who have experience with real estate, housing, mortgage lending or some other expertise related to mortgage assistance programs or sustainable housing. Independent Directors may not: (i) personally benefit from any Program administered by the Corporation; (ii) be employed by, or have an ownership interest in (other than ownership of the stock of a publically traded company in a mutual fund or other retirement account) an organization which has a contract to provide services to the Corporation; and (iii) be employed by, or have an ownership interest in (other than the ownership of stock of a publically traded company in a mutual fund or other retirement account) an organization that participates in a Program or Programs administered by the Corporation or which receives any sort of funding from the Corporation, including through the Programs that the Corporation administers. The Independent Directors may not be related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity.

One of the Housing Division Directors shall serve as the Chairperson of the Board and the Corporation’s President, as elected by the Board. One of the Independent Directors shall serve as the Vice-Chairperson and Vice President of the Corporation as elected by the Board. The Chairperson/President may delegate on or more responsibilities to the Vice-Chairperson/Vice-President.

Unless earlier removed as provided in these Bylaws, all of the Members of the Board serve for a two (2) year term (each a “Service Term”) and may serve terms in succession. There shall be no limits on the number of consecutive terms any Member of the Board of Directors may serve on the Board of Directors.

##### (b) Selection, Vacancies & Removal.



The initial Independent Directors were seated as of the initial adoption date of these Bylaws. Independent Directors shall be elected by the remaining Independent Director, although less than a quorum, when their terms expire. Candidates to serve as Independent Directors may be nominated by then seated Independent Directors the Corporation's COO or the Corporation's Executive Director. When selecting Independent Directors, an analysis of the independence of directors and their skills and expertise shall be performed by the remaining Independent Director with input from the COO, Executive Director and legal counsel for the Corporation. This should include consideration of the following characteristics of the proposed Independent Director: diversity; skills; integrity and moral responsibility; capacity to evaluate strategy and reach sound conclusions; and availability of time to do justice to duties as a director and willingness to devote the time required. An Independent Director may be removed at any time, with or without cause, by a majority vote.

The Housing Division Directors shall be appointed by the Administrator and the B&I Director by the Head of B&I when such Director's term expires. Such appointment may be accomplished by the delivery of written notification from the Administrator or Head of B&I, as applicable, (the "Appointment Notice"), which shall be filed in the minute books of the Corporation and such appointment shall be effective as of the specified future date in the Appointment Notice or if no date is specified the date of receipt by the Corporation of the Appointment Notice.