



Francis Small Heritage Trust, Inc.

P.O. Box 414, Limerick, Maine 04048 (207) 637-3510

As amended 12/06/98

FRANCIS SMALL HERITAGE TRUST BY-LAWS

ARTICLE I

Name

The name of the corporation shall be the FRANCIS SMALL HERITAGE TRUST. It shall be a non-profit, non-stock corporation organized under the laws of the State of Maine.

ARTICLE II

Purposes

This organization is organized exclusively for charitable, educational and scientific purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code. The nature of the activities to be conducted, or the purposes to be promoted or carried out by the Corporation, are as follows:

- (a) To engage in and otherwise promote for the general public the preservation of the natural resources primarily in the towns of Cornish, Limerick and Limington, County of York, State of Maine, including soil, water resources, rivers and streams, swamps woodland and open spaces, and the plant and animal life therein and the preservation of unique historic and scenic sites, dams, roads, trails, and areas of agriculture, economic or educational significance;
- (b) To engage in and otherwise promote the scientific study of and to educate the public regarding local natural resources including water, soil, plants, animals, birds and other wildlife;
- (c) To acquire, by gift, purchase or otherwise, interests in real personal property, both tangible and intangible, of every sort and description and to use such property in such manner as the Directors of the Corporation shall deem appropriate to carry out such purposes as delineated in the articles of incorporation; provided, however, that the Corporation shall have the right to reject any gift or bequest;

- (d) To use all property held or controlled by this Corporation and the net earnings thereof exclusively for the benefit of the inhabitants of the region and areas contiguous to it for the conservational, educational, recreational and scientific purposes for which the Corporation is formed as set forth in this Article;
- (e) To provide for the preservation of historic property by entering into preservation agreements (as defined in 33 MRSA § 1551) and to receive preservation interests (as defined in 33 MRSA § 1551).
- (f) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Two hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal Income Tax under Section 501 (C) (3) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c) (2) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law).

ARTICLE III

Membership

Section 1. Eligibility. The Board of Directors shall approve the membership application of any person who agrees to the goals of the Francis Small Heritage Trust as set forth in Article II. Any person who makes a contribution in cash or in kind shall become eligible for membership.

Section 2. Enrollment. Membership will be recorded on the books of the Corporation maintained by the Treasurer for that purpose, together with a record of donations. The Board of Directors may establish dues for one or more membership categories,

Section 3. Duties and Privileges. The Corporation shall have one class of membership with equal voting rights. Each member has one vote at annual and special meetings of the members, or election of directors (from whom officers are chosen), for

approval of amendments to by-laws and approving certain transfers of real estate; members are equally entitled to all benefits and privileges voted by directors.

Section 4. Life Members. Life members shall consist of those persons elected as such by the Board of Directors. Life members shall be exempt from any assessment of dues.

Section 5. Termination of Membership. The membership of a life member shall terminate upon his death or resignation. Membership of any other members shall terminate at the end of the fiscal year for which said member has made a contribution, but shall be reinstated upon the making of a contribution for the current fiscal year effective upon receipt of such payment.

ARTICLE IV

Meetings

Section 1. Annual Meeting. The annual meeting of the members shall be held each year at a time and place determined by the Board of Directors for the purpose of electing directors and transacting any other business which may properly come before the meeting.

Section 2. Special Meeting. Special meetings of the members may be called at any time by the President, by the Board of Directors, or by petition in writing filed with the Secretary signed by not fewer than twenty-five members or by not less than ten percent of the total membership whichever is greater. At such special meetings no business shall be transacted which is not specified in the notice of the meeting.

Section 3. Voting. At any meeting of the members of the corporation, ten members or five percent of the total membership as of the close of the last fiscal year, whichever is greater, shall constitute a quorum for the transaction of business. In the event no quorum is present, the members represented shall have the power to adjourn from time to time until such quorum appears.

Section 4. Notice. Not fewer than 15 days prior to each meeting, notice shall be mailed by the Secretary to all members setting forth the date, time and place of such meeting and indicating the nature of the business to be transacted.

ARTICLE V

Board of Directors

Section 1. Composition. The number of directors constituting the initial Board of Directors of the Corporation shall be 11. The Board of Directors shall be composed of 6 elected directors and the five officers of the Corporation, the President, 2 Vice Presidents, a Secretary and a Treasurer.

The minimum number of directors shall be six (6) and the maximum number of directors shall be eighteen (18).

Section 2. General Powers and Duties. The Board shall, subject to these By-Laws have full charge of the property, affairs and activities of the corporation. The Board of Directors shall have and may exercise all the powers allowed to non-profit corporations under the laws of the State of Maine except as may otherwise be limited by the provisions of these By-Laws and the Articles of Incorporation. The Board of Directors may establish such administrative policies as are necessary for the proper operation of the Corporation.

Section 3. Election. The Board of Directors shall be elected from the membership at the annual meeting of the corporation by the members. Each director shall serve for a term of three years or until a successor is elected and qualified; however, at the first annual meeting, up to one-third of the directors shall serve for a term of one year and up to one-third of the directors shall serve for a term of two years. Those directors serving for said one or two year terms shall be designated by the Board of Directors as a whole following the election. No director may serve more than three consecutive terms. This term restriction applies only when the Board is at full complement.

Section 4. Vacancies. In case of a vacancy, the remaining directors may elect a successor to serve until the next annual meeting when the membership shall elect a successor for the remainder of the vacant term.

Section 5. Removal. Any Director may be removed from office by affirmative vote of two-thirds of the total number of members entitled to vote at a special meeting of the members called for such purpose, provided such removal is approved by affirmative vote of a majority of the total Board of Directors. Removal of an officer shall also constitute removal of that person as a member of the Board of Directors.

Section 6. Call and Notice. The Board of Directors shall meet on call by the President or on written request filed with the Secretary by four or more directors. The Secretary shall give reasonable notice to each director of the time, place and date for each meeting.

Section 7. Meetings. The Board of Directors shall meet at least four times per year. The annual meeting of directors shall be held at the same place and date as the annual meeting of members and shall constitute one of the four required meetings.

Section 8. Quorum and Voting. A quorum shall consist of a majority of the current directors. Unless otherwise specified in these By-Laws, majority vote of those present will prevail on all matters.

Section 9. Unanimous Action by Directors Without a Meeting. Any action required to be taken at a meeting of the Board of Directors or any action which may be taken at a meeting of the Board of Directors or of a committee of the Board of Directors, may be taken without a meeting if all of the directors, or all of the members of the committee, as the case may be, sign written consents setting forth the action taken or to be taken, at any time before or after the intended effective date of such action. Such consents shall be filed with the minutes of directors' meeting or committee meetings, as the case may be, and shall have the same effect as a unanimous vote.

ARTICLE VI

Officers

Section 1. Officers. The officers of the corporation shall be a President, First Vice President, Second Vice President, Secretary and Treasurer. All officers shall be directors and shall be elected by the Board of Directors at the annual meeting or whenever a vacancy occurs. Each officer shall serve until a successor is elected and qualified.

(a) The President shall be the Chief Executive Officer of the corporation. The President shall preside at all meetings of the membership and of the Board of Directors and shall exercise general supervision over the management of the property and affairs of the corporation. The President shall have the power to appoint all committees which shall be responsible to the President. The President shall do and perform such other duties from time to time as may be assigned by the Board of Directors. In the absence or inability of the President to perform any of the duties of the office, the First Vice President, or in the First Vice President's absence or inability, the Second Vice President, may exercise all of the powers of the President.

(b) The Vice Presidents shall work with and cooperate with the President in the exercise of the powers and duties of the President as the President may request from time to time and shall act in place of and for the President as specified above in the event of the President's absence.

(c) The Secretary shall record all the votes and proceeding of the Board in books kept for the purpose. The Secretary shall have custody of the seal of the corporation. In the absence of the Secretary at any meeting of the Board, the records thereof shall be kept by such person as shall be appointed for that purpose at the meeting. The Secretary shall keep the records of the meetings of the members and shall perform such other duties as are incident to the office or that of a Clerk as required by the laws of Maine. The Secretary shall conduct all necessary correspondence and shall keep a record of the names

and addresses of all members. The Secretary shall notify the members of all committees of their appointment. The Secretary shall notify the members of all annual and special meetings. The Secretary shall act in place of and for the President in the event that by reason of absence or inability both the President and the Vice Presidents are unable to perform their duties.

(d) The Treasurer shall keep correct and suitable books of account and shall keep a record of the members, showing their names, and places of residence. The Treasurer shall have the custody of all title deeds, papers, securities, bank statements, pass books, and other documents belonging to the corporation. The Treasurer shall keep and account for all moneys, funds and properties of the corporation and shall collect all contribution and shall make a written report to the members at the annual meeting. The Treasurer shall deposit all money of the corporation in its name in a financial institution or place of deposit selected by the Board of Directors. The Treasurer and such other officers as may be authorized by the Board of Directors from time to time shall sign all checks, drafts, notes and orders for the payment of money, and shall pay out and dispose of the same under direction of the Board of Directors. The Board of Directors may require the Treasurer to be bonded with sufficient sureties for the faithful performance of these duties, in such amount as shall be fixed by the Board.

(e) Removal. Any officer may be removed from office by affirmative vote of a two-thirds of the total number of members entitled to vote at a special meeting of the members called for such purpose, provided such removal is approved by affirmative vote of a majority of the total Board of Directors. Removal of an officer shall also constitute removal of that person as a member of the Board of Directors.

ARTICLE VII

Committees

Section 1. Executive Committee. An Executive Committee shall consist of the officers. The Executive Committee shall act for the Board of Directors during the period between Board meetings and shall exercise all powers of the Board except any which have been expressly reserved by Board resolution. The Secretary shall give reasonable notice to each member of the Executive Committee of the time, date and place for each meeting.

Section 2. Auditing Committee. The Board of Directors shall, during each fiscal year, appoint an Auditing Committee of one or more members or a certified public accountant who shall audit or cause the accounts of the Corporation to be audited at the close of that fiscal year and its report shall be presented at the following annual meeting.

Section 3. Nominating Committee. Prior to the annual meeting the President shall appoint an Nominating Committee, comprised of two members of the Board of Directors

who are not officers and who are not up for reelection, and three members of the general membership, to nominate persons for the officer and director positions.

Section 4. The Board of Directors may, from time to time and fore terms as they may see fit, establish committees necessary for the smooth functioning of the Corporation.

ARTICLE VIII

Financial Affairs

Section 1. Fiscal Year. The fiscal year of the Corporation shall commence on the first day of January and end on the thirty-first day of December.

Section 2. Bank Accounts. The funds of the Corporation shall be deposited in one or more financial institutions as designated by the Board of Directors. All documents to be executed by the Corporation including deeds, mortgages, leases, promissory notes or other instruments, except checks, shall be executed by the President and Secretary on behalf of the Corporation. All checks issues by the Corporation shall be executed by any two of the following: President, First Vice President, Second Vice President, Secretary, or Treasurer, except that any check issued in an amount of five hundred dollars (500.00) or less may be executed solely by the Treasurer or the President.

ARTICLE IX

Protection of Officers and Directors

Section 1. Limitation of Liability. Directors shall not be liable to this Corporation except for their own acts, neglects and defaults in bad faith. No directors shall be liable out of their personal assets for any obligation or liability incurred by this Corporation or by the directors. The Corporation alone shall be liable for the payment or satisfaction of all obligations and liabilities incurred in carrying on the affairs of this Corporation.

Section 2. Indemnification. Each member of the Board of Directors and each officer of the Corporation may in the discretion of the other members of the Board of Directors be indemnified by the Corporation against all loss, costs, damage, expenses and charges reasonably incurred or suffered in connection with the defense or reasonable settlement of any action, suit or proceeding to which a director may be made a party by reason of their having been a member of the Board of Directors.

ARTICLE X

Transfer of Holdings

No interest of the Corporation in any real estate may be transferred, exchanged, encumbered or in any other way alienated unless authorized at a meeting of members duly held at which a quorum is present by affirmative vote of two-thirds of the members represented at such meeting entitled to vote on the subject matter. The notice for any such meeting shall contain a description of the proposed transaction and the reasons therefor. Such membership approval, however, shall not be required for the mortgaging of sale of a portion, of real estate in connection with its acquisition for the purpose of financing said transaction. Nor shall such membership approval be required for the transfer, exchange, encumbrance or other alienation of the interests in unrestricted land held exclusively for investment purposes. However, such purchase money financing, and sales of a portion of any larger parcel acquired, and such alienation of interests in unrestricted land held exclusively for investment purposes shall required the affirmative vote of two-thirds of the total number of directors then in office. No such real estate, however, shall be transferred, exchanged, encumbered or in any other way alienated in such a manner that it fails to meet the requirements of the Internal Revenue Code of 1954 as amended, and the regulations issued thereupon for a corporation qualifying as an exempt organization under the provisions of Section 501 (c) (3) of said Code and regulations as they now exist or may hereafter be amended.

ARTICLE XI

Prohibition Against Private Gain

No officer, director, member or any person who is related to an officer, director or member, by blood, marriage or otherwise shall receive any pay, compensation or benefit from the Corporation directly or indirectly. No private benefit shall pass to any organization or entity controlled by an officer, director or member by blood, marriage or otherwise. This By-law shall not prohibit the reimbursement of incidental expenses necessarily incurred in the business of the Corporation by any officer or director duly authorized and also shall not prohibit the employment of persons, including members, to perform duties for the Corporation and to receive compensation therefor upon proper authorization by the Board of Directors.

Notwithstanding the foregoing, nothing shall prevent any member or any person who is related to a member by blood, marriage, or otherwise from conveying land or interests in land to the Trust, provided that such conveyance is made pursuant to the By-laws and Articles of Incorporation and meets the criteria established by the trust for acceptance of conveyances.

ARTICLE XII

Dissolution

In the event the Corporation shall ever be dissolved, none of its assets shall inure to the benefit of any officer, director or member. Any corporation succeeding to title to property or interest in property of the Francis Small Heritage Trust shall be required to conform to those restrictions or limitations of use applicable thereto, and shall administer such properties in a manner compatible with the general purposes of the Francis Small Heritage Trust, insofar as this may be accomplished. Such corporation must qualify under the terms of Section 501 (c) (3) of the Internal Revenue Code, as amended.

ARTICLE XIII

Amendments

Amendments to these By-laws may be proposed and discussed at any regular or special meeting of the Corporation and must receive a majority of the votes of the members present at that meeting. Copies of such amendment must then be sent to all members present at that meeting. Copies of such amendment must then be sent to all members of the Corporation, with at least one month's notice of a second meeting of the Corporation, at which the proposed amendment must receive at least a two-thirds vote of the members then present before becoming a part of the By-Laws.



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