

Bylaws of Hanover NH Rotary Charities, Inc.

Article 1 Definitions

1. **Board:** The Board of Directors of the Hanover NH Rotary Charities, Inc.
2. **Corporation:** Hanover NH Rotary Charities, Inc.
3. **Director:** A member of the Board of the Hanover NH Rotary Charities, Inc.
4. **Member:** A Member, other than an honorary Member, of the Hanover Rotary Club.

Article 2 Name and Formation of Corporation

Section 1 - A New Hampshire nonprofit corporation named "Hanover NH Rotary Charities, Inc." has been established as evidenced by a Certificate of Incorporation issued by the New Hampshire Secretary of State. Its principal office is in the town of Hanover, New Hampshire.

Section 2 - The **fiscal year** of the Corporation shall be from July 1st to June 30th.

Article 3 Purpose

Section 1 - The Corporation is organized exclusively for charitable, educational, and scientific purposes as defined in the federal Internal Revenue Code Section 501 (c)(3), including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501 (c)(3) of the Internal Revenue Code or corresponding section of any future federal tax code. In furtherance of that purpose, the specific intention of the Corporation is to manage such funds and property as may be received by the Corporation for the purpose of producing income to be dispensed yearly to fund grant requests from certified tax exempt institutions (as defined by the Internal Revenue Code) and other appropriate organizations. The intention of the Corporation is to make grants to tax-exempt institutions and organizations, and to fund such other charitable efforts, including educational scholarships, as the Corporation deems appropriate.

Section 2 - To further facilitate the achievement of the purposes recited above, the Corporation shall manage its business and affairs in such manner as to ensure compliance with the following provisions:

- A. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed net income imposed by Section 4942 of the Internal Revenue Code or corresponding provisions of any subsequent federal tax law.
- B. The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code or corresponding provisions of any subsequent federal tax law.
- C. The Corporation shall not retain any excess business holdings defined in Section 4943(c) of the Internal Revenue Code or corresponding provisions of any subsequent federal tax law.
- D. The Corporation shall not make any investments in such a manner as to subject it to tax under Section 4944 of the Internal Revenue Code or corresponding provisions of any subsequent federal tax law.
- E. The Corporation shall not make any taxable expenditure as defined in Section 4945(d) of the Internal Revenue Code or corresponding provisions of any subsequent federal tax law.

Article 4 Members

The Corporation will have no voting Members. The Members, however, have the power to appoint the Board. As of the date of incorporation of the Corporation, the members thereof were, and remain: **Members of the Rotary Club of Hanover, New Hampshire.**

Article 5 Board of Directors

Section 1 - The Board shall have responsibility for the entire management and business of the Corporation and for that purpose is vested with all the powers possessed by the Corporation, so far as this delegation of the authority is not inconsistent with the laws of the State of New Hampshire.

Section 2 - The number of Directors of the Corporation shall be not less than thirteen, nor more than seventeen, and as set from time to time by the Board at either the annual meeting or a special meeting called for that purpose. The persons serving as President, President-Elect and the Past-President of the Rotary Club of Hanover, New Hampshire automatically shall constitute three of the Directors. The remaining Directors shall be appointed by the Members annually, to serve until their successors are duly appointed.

Section 3 - Any Director may resign by giving notice to the Board and to the Secretary of the Corporation. Any Director may be removed by a majority vote of the Board. Any **vacancy** on the Board may be filled by a majority vote of the Board, such Director to serve until the next annual meeting.

Article 6 Meetings of the Board of Directors

Section 1 - All meetings of the Board shall be held either at the principal office of the Corporation or any other place designed by the Directors.

Section 2 - The **annual meeting** of Directors shall be held in Hanover, New Hampshire at such time during the months of December or January as the Board designates. In the event that the annual meeting is omitted as provided above, the Board shall cause a meeting in lieu thereof to be held as soon thereafter as may conveniently be scheduled, and any business transacted or elections held at such meeting shall be as valid as if transacted or held at the annual meeting.

Section 3 - Regular meetings of the Board shall be held at such places and at such times as the Board shall determine, and if so determined, no further notice thereof need be given.

Section 4 - Special meetings of the Board shall be held at any time or place whenever called by the Chair, the Vice-Chair, or by a majority of the Directors. Notice of a special meeting shall be given to each Director, stating the purposes thereof. Notice mailed or given by verifiable electronic communication (e.g. e-mail or fax) to the Directors forty-eight (48) hours before the time when the meeting to be held, stating the date and time of such meeting, shall be sufficient notice in all cases. Attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Notice may also be waived by a writing filed with the minutes of the meeting.

Section 5 - A **majority of the Board members** shall constitute a **quorum** for the transaction of business. When a quorum is present at any meeting, a majority of the Board members present at that meeting shall decide any question brought before the meeting, unless the

question is one upon which a larger vote is required by law, or by any express provision of the Articles of Incorporation or these Bylaws.

Section 6 - Board members may participate in a Board meeting by means of a telephone or similar communications equipment, in which all persons participating in the meeting can hear each other. Participation in a meeting in the above manner shall constitute presence in person at the meeting.

Section 7 - Directors shall not receive compensation for their services as Directors, but can receive reimbursement of expenses.

Article 7 Officers

Section 1 - The officers of the Corporation shall be a Chair, Vice-Chair, Treasurer, and Secretary, each of whom shall be **elected by the Board**. The Board also may elect such other officers or agents as it may deem advisable and prescribe the duties thereof. The officers shall be elected by the Board at the annual meeting and serve until the next annual meeting or until their successors have been duly elected and qualified. Any officer of the Corporation may be removed by a majority vote of the Board.

Section 2 - The **Chair** shall supervise and conduct the Corporation's activities and operations between meetings of the Board. He or she shall preside at all meetings of the Board, and may sign, in the name of the Corporation, all contracts and documents authorized by the Board.

Section 3 - The **Vice-Chair** shall have such powers and perform such duties as may be delegated to him or her by the Board. In the absence or disability of the Chair, the Vice Chair may perform the duties and exercise the powers of the Chair.

Section 4 - The **Treasurer** shall have custody and responsibility for all property of the Corporation, including funds, securities and evidences of indebtedness. He or she shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements of the Corporation, and shall deposit all monies and other valuable effects of the Corporation in such banks or other depositories as the Board may designate.

Section 5 - The **Secretary** shall act as clerk of all meetings of the Board, attend to giving and serving of all notices to the Directors and officers and any other notices required by law, and perform all duties customarily incident to the office of Secretary.

Section 6 - No salary or other compensation shall be paid to any officer, or agent of the Corporation unless first approved by the Board.

Article 8 Indemnification

Section 1 - Any officer or Director of the Corporation now or hereafter serving as such shall be indemnified by the Corporation against any and all claims and liabilities to which he or she has or shall become subject by reason of serving or having served as such officer or Director, or by reason of any action alleged to have been taken, omitted, or neglected by him or her as such officer or Director; and the Corporation shall reimburse each such person for all legal expenses reasonably incurred by him or her in connection with any such claim or liability.

Section 2 - Notwithstanding the above, no Director shall be indemnified (a) in connection with a proceeding by or in the right of the Corporation in which the Director was adjudged liable to the Corporation; or (b) in connection with any other proceeding charging improper personal benefit to the Director, whether or not involving action in his or her official capacity, in which the Director was adjudged liable on the basis that personal benefit was improperly received by the Director.

Section 3 -The right of indemnification provided above shall not be exclusive of any rights to which any officer or Director of the Corporation may otherwise be entitled by law, through insurance or otherwise.

Article 9 Conflict of Interest

Any possible conflict of interest on the part of any Board member, officer or employee of the Corporation, shall be disclosed in writing to the Board and made a matter of record through an annual procedure and also when the interest involves a specific issue before the Board. Where the transaction involving a Board member, trustee or officer exceeds five hundred dollars (\$500) but is less than five thousand dollars (\$5000) in a fiscal year, a two-thirds vote of the disinterested Directors is required. Where the transaction involved exceeds five thousand dollars (\$5000) in a fiscal year, a two-thirds vote of the disinterested Directors and publication in the required newspaper is required. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting, and the actual vote itself. Every new Board member will be advised of this policy upon entering the duties of his or her office, and shall sign a statement acknowledging, understanding of and agreement to this policy. The Board will comply with all requirements of New Hampshire law in this area and the New Hampshire requirements are incorporated into and made a part of this policy statement.

Article 10 General Provisions

Section 1 - The Board may authorize any officer or officers to enter into any contract on behalf of the Corporation, such authority to be evidenced by a resolution of the Board.

Expenditures by the Corporation will be made only to effectuate programs approved by the Board. All payments shall be made by the Treasurer or the Chair. Any payment exceeding **\$1,000** shall be paid only when **approved by two other Directors** via verifiable electronic communication (e.g. e-mail or fax), at a regularly scheduled meeting, or through signature on the Check Request Form.

Section 2 - The Board may accept, on behalf of the Corporation, any contribution, gift, bequest or devise for general purposes or any specific purpose of the Corporation, so long as the acceptance of such contribution, gift, bequest or devise does not jeopardize the continuing tax-exempt status of the Corporation.

Section 3 - There shall be kept at the principal office of the Corporation or such other office as the Board shall approve, correct books of account of the activities and transactions of the Corporation, including a minute book that shall contain a copy of the Articles of Incorporation, the Bylaws, and all minutes of the meetings of the Board.

Section 4 - These **Bylaws may be amended**, added to, or repealed by the vote of a **majority of the Board**, provided that notice of the proposed changes is given to all Directors at least thirty (30) days in advance of the meeting at which such changes are to be considered.

Section 5 - The Corporation may adopt a **corporate seal**, which shall be kept in the custody of the Secretary.

The foregoing amended and restated Bylaws were adopted by the Directors at a Meeting of the Directors held on the 22nd day of December, 2009.

Secretary