

BY-LAWS  
OF  
GATEWAY FOUNDATION, INC.

ARTICLE I – OFFICES

The principal office of the corporation shall be located in Town of Brattleboro, County of Windham, and State of Vermont. The corporation may have such other officers, either within or without the State of Vermont as the Board of Directors may designate or as the affairs of the corporation may from time to time require.

ARTICLE II – MEMBERS

The membership of the corporation shall include all members of the Brattleboro Rotary Club, Inc (“Rotary Club”) of Brattleboro, Vermont, as they may exist from time to time.

ARTICLE III – ANNUAL MEETING

1. ANNUAL MEETING.

The annual meeting of the members shall be held within three months of the close of the previous fiscal year.

2. SPECIAL MEETINGS.

Special meeting of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the president or by the directors, and shall be called by the president at the request of not less than ten (10) members.

3. PLACE OF MEETING.

The directors may designate any place, either within or without the State unless otherwise prescribed by statute, as the place of meeting for any annual meeting or for any special meeting called by the directors. A waiver of notice signed by all members entitled to vote at a meeting may designate any place, either within or without the State unless otherwise prescribed by statute, as the place for holding such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal office of the corporation.

4. NOTICE OF MEETING.

Notice of the annual meeting or any special meeting shall be given to the members by any means normally used to communicate with members of the Rotary Club in a manner expected to reach all members, at least seven days before the meeting, except in the case of an emergency special meeting, for which notice shall be given as early as is practical.

## 5. QUORUM.

At any meeting of the members, twenty members shall constitute a quorum. No member may vote by proxy. If less than said number of the members is present at the meeting a majority of the members present may adjourn the meeting from time to time without further notice. At 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. The members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

## 6. VOTING.

Each member shall be entitled to one vote. Upon demand of any member, the vote for directors and upon any question before the meeting shall be by ballot. All elections for directors shall be by plurality vote: all other questions shall be decided by majority vote except as otherwise provided by the Articles of Association or by Vermont Law.

## 7. ORDER OF BUSINESS.

Meetings of the Gateway shall be held in accordance with Roberts Rules of Order. Should a conflict exist between the Articles of Association and the By-Laws, the Articles of Association shall take precedence.

## 8. EMERGENCY ACTION BY MEMBERS.

Unless otherwise provided by law, any action required to be taken at a meeting of the members, or any other action which may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

## ARTICLE IV - BOARD OF DIRECTORS

### 1. GENERAL POWERS.

The business and affairs of the corporation shall be managed by its Board of Directors. The directors shall in all cases act as a board, and they may adopt such rules and regulations for the conduct of their meetings and the management of the corporation, as they may deem proper, not inconsistent with these By-laws and the laws of the State.

### 2. NUMBER, TENURE AND QUALIFICATIONS.

The number of directors shall be not more than twelve or less than eight. Each director shall hold office until the next annual meeting of members and until a successor shall have been elected and qualified.

### 3. REGULAR MEETINGS.

A regular meeting of the directors shall be held without other notice than the By-law immediately after, and at the same place, as the annual meeting of the members. The directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolutions.

#### 4. SPECIAL MEETINGS.

Special meetings of the directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the directors may fix the place for holding any special meeting of the directors called by them.

#### 5. NOTICE.

Notice of a meeting of the directors shall be given to the directors by any means normally used to communicate with members of the Rotary Club at least seven days before the meeting. It shall be considered sufficient if notice of a meeting is announced at a regular meeting of the Rotary Club not less than seven (7) days in advance of such meeting.

#### 6. QUORUM.

At any meeting of the directors fifty percent of the directors shall constitute a quorum for the transaction of business, but if less than said number is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

#### 7. MANNER OF ACTING.

Directors shall include the President and president-elect of the Rotary Club and the Chairman of the Scholarship committee. The remaining six directors shall be elected at large by the Rotary Club at the annual meeting. The terms of the directors shall be three years, except in the case of the President, President-Elect and Chairman of the Scholarship Committee whose terms will coincide with their terms in their offices of the Rotary Club. Terms of the remaining directors shall be staggered with the intent that two (2) are elected each year. The nominating committee shall be made up of the Gateway Foundation's four (4) officers plus the Rotary Club President Elect.

#### 8. VACANCY

Any vacancies occurring by reason of the removal of the directors may be filled by the vote of the members. A director elected to fill a vacancy caused by resignation, death or removal shall be elected to hold office for the unexpired term of his predecessor. The term of each director shall begin on his election.

#### 9. REMOVAL OF DIRECTORS.

Any or all of the directors may be removed for cause by vote of the members or by action of the Board. Directors may be removed without cause only by vote of the members.

#### 10. RESIGNATION.

A director may resign at any time by giving written notice to the board, the president or the secretary of the corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof by the board or such officer, and the acceptance of the resignation shall not be necessary to make it effective.

#### 11. COMPENSATION.

No compensation shall be paid to directors, as such, for their services, but by resolution of the board a fixed sum and expenses for actual attendance at each regular or special meeting of the board may be authorized. Nothing herein contained shall be construed to preclude any director for serving the corporation in any other capacity and receiving compensation therefore.

#### 12. COMMITTEES.

The board, by resolution, may designate from among its members an executive committee and other committees. Each such committee shall serve at the pleasure of the board.

### ARTICLE V - OFFICERS

#### 1. ELECTION AND TERM OF OFFICE.

The officers of the corporation shall be elected by the directors annually, at the first meeting of the directors held after each annual meeting of the members. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he or she shall resign or shall have been removed in the manner hereinafter provided.

#### 2. REMOVAL.

Any officer or agent elected or appointed by the directors may be removed by the directors whenever in their judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

#### 3. VACANCIES.

A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the directors for the unexpired portion of the term.

#### 4. PRESIDENT.

The president shall be the principal officer of the corporation and, subject to the control of the directors, shall in general supervise and control the affairs of the corporation. He or she shall, when present, preside at all the meetings of the directors and membership. He or she may sign, with the secretary or any other proper officer of the corporation, any deeds, mortgages, contracts, or other instruments which the directors have authorized to be

executed, except in cases where the signing and execution thereof shall be expressly delegated by the directors or these By-laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed and executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the directors from time to time.

#### 5. VICE-PRESIDENT.

In the absence of the president or in event of his or her death, inability or refusal to act, the vice-president shall perform the duties of the president, and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. The vice-president shall perform such other duties as from time to time may be assigned to him or her by the president or by the directors.

#### 6. SECRETARY.

The secretary shall keep the minutes of the membership meetings and of the directors' meetings in one or more books provided for that purpose, see that all notices are duly transmitted, and shall keep the list of the names of directors; and he or she shall perform all duties incident to the office of secretary and other duties as from time to time may be assigned to him or her by the president or the directors.

#### 7. TREASURER.

The treasurer may be required to give bond for the faithful discharge of his duties in such sum, and with such surety or sureties as the directors shall determine. He or she shall have charge and custody of, and be responsible for, all funds of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with these By-laws and in general perform all of the duties incident to office of treasurer and such other duties as from time to time may be assigned to appoint an assistant treasurer or finance agent to aid the treasurer in the performance of his duties. Such assistant shall serve at the pleasure of the directors.

### ARTICLE VI - CONTRACTS, LOANS, CHECKS, AND DEPOSITS

#### 1. CONTRACTS.

The directors may authorize any officer of officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

#### 2. LOANS.

No loan 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 directors, and ratified by the membership at a special meeting called for such purpose. Such authority may be general or confined to specific incidents.

### 3. CHECK, DRAFTS, ETC.

All checks, drafts or other order for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the directors, but in no event shall such instruments be issued without the signature of the treasurer or assistant treasurer of the Gateway Foundation.

## ARTICLE VII - ORGANIZATION AND PURPOSES

1. This corporation is organized exclusively for charitable, religious, educational and scientific purposes, including for such purposes, the making of distribution to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue code, or its corresponding section of any future federal tax code,

## ARTICLE VIII INDEMNITY

1. The corporation shall indemnify any and all of its present, former, and future directors and officers and the heirs, executors and administrators of any such director or officer against expenses actually and necessarily incurred by them in connection with defense of any action, suit or proceeding in which they or any of them are made parties by reason of being or having been directors or officers of the corporation, except in relation to matters as to which any such director or officer shall be adjudged in such action, suit or proceeding, to be liable for gross negligence or willful misconduct in the performance of duty. In the event of settlement of any such action, suit or proceeding, indemnification shall be provided only in connection with such matters covered by the settlement as to which the corporation is advised by counsel that the person to be indemnified did not commit such a breach of duty. The indemnification provided by this paragraph shall not be deemed exclusive of any rights to which those indemnified may be entitled under any By-Laws, agreement, vote of members or otherwise.

## ARTICLE IX

### CONFLICTS OF INTEREST/CONFIDENTIALITY

1. Duty to Disclose. If any director or officer of the corporation has a personal or financial interest in any issue of corporate concern, it is the affirmative duty of such director or officer to disclose to the Board of Directors when and if any such conflict exists.

2. Board Action. When any such issue becomes a matter of Board action, such director shall not vote or use personal influence on the matter. The director shall not be counted in the quorum for a meeting at which Board action is to be taken. The director may, however, briefly state a position on the matter and answer pertinent questions of Board members. The minutes of all actions taken on such matters shall clearly reflect that the requirements of this By-Law have been met.

3. Transaction between the Corporation and Directors or Officers. A contract or transaction between the corporation and one or more of its directors or officers or between the corporation and any other corporation, partnership, association or other organization in which one or more of the directors or officers are directors, officers, shareholders, partners or

members of the other organization, or have a financial interest, shall be deemed fair to the corporation provided (a) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board, and the Board in good faith and with ordinary care authorizes the contract or transaction by the affirmative vote of a majority of the disinterested Directors present at a meeting at which a quorum is present; and (b) the contract or transaction is fair to the corporation when it is authorized, approved or ratified by the Board.

4. **Written Conflict of Interest Policy.** The Board may adopt a written conflict of interest policy to be consistent with the above obligations.

5. **Duty of Confidentiality.** The meetings of the Board of Directors and the Board Committees are conducted in the strictest confidence and matters are discussed which are sensitive in nature. The Board and all board Committee members have an obligation to maintain all confidential and proprietary information presented and discussed in the strictest confidence and shall not disclose or release such information absent specific authorization to release or disclose such information to third parties by the Board of Directors or its duly authorized representative.

## ARTICLE X IRC 501(C)(3) TAX EXEMPTION PROVISIONS

1. **Limitations on Activities.** No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any 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, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

2. **Prohibition Against Private Inurement.** No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors or trustees, 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 of this corporation.

3. **Distribution of Assets.** Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed for one or more exempt purposes within the meaning of Section 510(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

4. **Private Foundation Requirements and Restrictions:** In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation 1) shall distribute its income for said period at such time and

manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to Subject the corporation to tax under Section 4944 of the Internal Revenue Code; and 5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

#### ARTICLE XI - FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of July in each year

#### ARTICLE XII - SEAL

The director shall provide a corporate seal which shall be circular in form and shall have thereon, "GATEWAY FOUNDATION, INC", "VERMONT, 1986" and the words "CORPORATE SEAL".

#### ARTICLE XIII - WAIVER OF NOTICE

Unless otherwise provided by law, whenever any notice is required to be given to any member or director of the corporation under the provisions of these By-laws or under the Articles of Association, a waiver thereof in writing, by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

#### ARTICLE XI V- AMENDMENTS

The By-laws may be altered, amended or repeated and new By-laws may be adopted by a vote of a majority of the members present and voting at any annual or special meeting of the members when the proposed amendment has been set out in the notice of such meeting.