

PROPOSED REVISIONS TO BYLAWS OF THE LACONIA AREA COMMUNITY LAND TRUST, INC.

ARTICLE I - General Provisions

1.1 NAME - The name of the corporation is LACONIA AREA COMMUNITY LAND TRUST, INCORPORATED dba "Lakes Region Community Developers."

1.2 PURPOSE - The corporation shall operate exclusively for non-profit charitable and educational purposes in the Greater Lakes Region of New Hampshire: (a) to provide access to affordable housing through the acquisition, lease, and sale of property; (b) to conduct public education about community development issues; and (c) to support the development of a stable and productive economic base in and for local communities. The corporation shall operate in a manner that does not jeopardize the federal tax exemption of this corporation pursuant to Section 501 (c) (3) of the Internal Revenue Code. No part of Laconia Area Community Land Trust's (LACLT's) net earnings inure to the benefit of any member, founder, contributor, or individual. LACLT is not controlled, nor receives directions from individuals, or entities seeking profit from the organization.

ARTICLE II - Board of Directors

2.1 GENERAL POWERS - The affairs of the Corporation shall be overseen by its Board of Directors. The Board of Directors shall have control of and be responsible for oversight of the affairs and property of the Corporation. This includes electing all officers for the Corporation; authorizing individuals to execute deeds, contracts and other legal instruments pertaining to the acquisition, sale or conveyance of real property; and exercising all other powers necessary to further the purposes of the Corporation in conformance with the Articles of Incorporation and these Bylaws.

2.2 NUMBER AND TENURE OF DIRECTORS - The number of Directors may never be less than 6 or greater than 15. Directors serve for terms of three years. No Director may serve more than two consecutive terms. The term of a regularly elected Director shall commence immediately upon election.

2.3 COMPOSITION OF THE BOARD - Regardless of the total number of Directors at any given time, at least one-third of the Directors must represent low-income residents in the Lakes Region and no more than one-third may be composed of public officials. A Director is considered to be representing low-income residents if they a) are a member of a low-income household; b) live in a census tract block group which has more than 50% of its households with incomes less than 80% of area median income; or c) are elected by the membership of an organization whose membership is open to all residents of a defined neighborhood where more than 50% of the households have incomes less than 80% of the area median income.

2.4 VACANCIES - If any Director shall vacate their term, the remaining Directors may elect to fill the vacancy at any meeting of the Board of Directors. Any Director elected in this manner shall serve until the next Annual Meeting, at which time the Board may choose to elect them for a full term.

2.5 CONFLICT OF INTEREST - Notwithstanding any other provision of these Bylaws, all transactions of the Corporation and the Board of Directors shall be conducted in the best interests of the Corporation. Any transaction in which a Director has a direct or indirect financial interest greater than Five Hundred Dollars (\$500.00) shall be a "Pecuniary Benefit Transaction." No Pecuniary Benefit Transaction shall be entered into unless:

- A. The transaction is approved by a recorded vote of two-thirds of the Board of Directors present and voting at the meeting;
- B. The vote is taken after notice to the Board of Directors and a full and fair discussion of the material facts has been held by the Board of Directors; and
- C. The Director that has the financial interest in the Pecuniary Benefit Transaction, or who has had a Pecuniary Benefit Transaction with the Corporation in the same fiscal year, is not present during the discussion; does not participate in the discussion (except as the Board may require to answer questions regarding the transaction); and does not vote on the transaction.

The Board of Directors shall maintain as part of the official records of the Corporation a list of each and every Pecuniary Benefit Transaction, and if such transaction or the aggregate of such transactions exceeds Five Thousand Dollars (\$5,000.00) within one fiscal year, shall, in compliance with RSA 7:19-a, publish notice of such transaction(s) in a newspaper of general circulation in the Lakes Region, and shall give written notice to the Director of Charitable Trusts for the State of New Hampshire.

2.6 MEETINGS OF THE BOARD OF DIRECTORS

- A. Annual Meeting** - The Annual Meeting of the Board of Directors shall be held no later than November 30th of each year. The purpose of the Annual Meeting is to elect new Directors and Officers and to approve committee appointments.
- B. Regular Meetings** - The Board of Directors shall meet as needed, but no less often than every two months, at such times and places as the Board may establish. Notice must be given to each Director at least five days prior to regular meetings. Notice may be by electronic mail, by telephone, in person, or any other format used in conventional commercial practice.
- C. Special Meetings** - Special meetings of the Board of Directors may be called by or at the request of the Chair or any two (2) Directors. The person or persons calling the special meeting may fix any location as the place for holding any special meeting called by them, including telephonically or electronically.

Notice of any special meeting of the Board of Directors shall be given at least two (2) days in advance of the meeting by electronic mail, by telephone, in person, or any other format used in conventional commercial practice.

2.7 QUORUM AND VOTING - The Directors shall act only as a Board; individual Directors shall have no power as such. A simple majority of the Directors shall constitute a quorum for the transaction of business, unless otherwise specified in these bylaws. A Director participating telephonically or voting by proxy at any meeting shall be counted in the number of Directors forming a quorum. Once there is a quorum at any meeting of the Board of Directors, the quorum shall remain until the meeting is adjourned, regardless of whether one or more Directors forming the quorum are no longer present, unless any Director present objects to the further transaction of business without a majority of the

Directors present. Should any Director present so object, there shall no longer be a quorum for the transaction of business.

All matters considered at a meeting shall be decided by a majority vote of those present, each Director having one vote, and all votes shall be voice vote, except that upon request of any Director present, a vote by ballot shall be taken. Proxy votes will be permitted, provided that written authorization for the proxy vote, in either paper or electronic form, is presented to the Chair prior to the commencement of the meeting.

2.8 COMPENSATION - The Directors shall serve without compensation (except for reimbursement of actual authorized expenses).

2.9 REMOVAL – A Director may be removed for good cause, should the Director act in a manner seriously detrimental to the Corporation or to the Board in the fulfillment of its responsibilities. Two consecutive unexcused absences from regular meetings of the Board of Directors is cause for removal. A two-thirds majority vote of Directors at any meeting of the Board is required to effectuate the removal of any Director.

ARTICLE III - Officers

3.1 DESIGNATION - The officers of the corporation shall be elected from the members of the Board at the Annual Meeting. The officers shall be: Chair, Vice-Chair, Secretary, and Treasurer.

3.2 TENURE - The officers shall hold office until the next Annual Meeting of the Board after their election (unless removed as hereinafter provided). A term is defined as one year beginning at election at the Annual Meeting. No person shall hold the same office for more than three (3) consecutive years.

3.3 DUTIES OF OFFICERS

A. Chair:

1. Preside at all meetings of the Board of Directors.
2. Appoint the chairpersons of all committees.
3. Shall have the authority to sign, with the Treasurer or the Executive Director, all contracts, and obligations authorized by the Board of Directors.
4. Notify Directors of removal.
5. Perform such other duties as the Board of Directors may direct.

B. Vice-Chair shall perform all duties of the Chair in the event of the absence or inability of the Chair to act, or in the event of a vacancy in that office, shall perform all duties delegated by the Chair; and shall serve on such committees as the Chair shall direct.

C. Treasurer:

1. Have the authority to open bank accounts in the name of the corporation; shall have authority to sign with the Chair or the Executive Director checks and drafts and other papers requiring the payment of money, contracts, obligations and perform such other duties as may be authorized and directed by the Board of Directors.
2. Cause all debts and obligations of the corporation to be paid when due. The Treasurer shall, with the cooperation of the Executive Director, keep

an account of all receipts and disbursements which shall be open for inspection by the Board of Directors and the auditors at all times, and shall furnish an annual financial statement to the Board of Directors no later than April 30th of each year, which statement shall be certified by an independent certified accountant.

3. Perform such other duties as the Board of Directors may direct.
4. The Board may require that the Treasurer be bonded in any amount satisfactory to the Board, at the expense of the corporation.

D. Secretary:

1. Keep the minutes of all meetings of the membership and the Board in such manner as the Board directs, and provides copies of the minutes as required by these Bylaws.
2. Confirm and record the status of motions and votes in meetings of the membership of the Board.
3. Perform such other duties as the Board of Directors may direct.

3.4 REMOVAL - The Board of Directors may remove any officer from his/her office at any time by a vote at any meeting of the Board. The affected officer shall be excluded from the decision.

ARTICLE IV - Executive Director

4.1 The Board shall hire an Executive Director who shall serve at the will of the Board to be responsible for the operations of the corporation.

4.2 The Executive Director shall be the chief executive officer and have the authority to administer LACLT in keeping with the purposes, policies, and procedures established by the Board of Directors, including but not limited to the authority to sign contracts and manage the business on a day to day basis.

4.3 The Executive Director shall maintain the funds of the corporation in one or more accounts designated or approved by the Board of Directors and shall have the authority to make payments for all ordinary operating expenses. The Executive Director shall be bonded in the amount determined by the Board of Directors.

4.4 In the absence of the Executive Director, the Board of Directors shall have the authority to name an Acting Executive Director, who shall during such absence have all of the authority and responsibility of the Executive Director.

ARTICLE V - Committees

5.1 THE STANDING COMMITTEES SHALL BE:

- A. Executive Committee
- B. Finance & Asset Management Committee
- C. Governance Committee
- D. Others as may be deemed necessary by the Board.

5.2 MEMBERSHIP OF THE COMMITTEES

- A.** The committee chairs, in consultation with the Board Chair, shall nominate his or her committee members for Board approval at the Annual Meeting. Members of the standing committees are not required to be members of the Board of Directors.
- B.** Two consecutive unexcused absences from a committee meeting is cause for removal from that committee. In such case, the committee chair will notify the Chair of the Board, who will send a written notice to the committee member being removed.

ARTICLE VI - Miscellaneous Provisions

6.1 EQUALITY AND PERSONAL FREEDOM - The rights of all members of the corporation to the absolute freedom of religion, political commitment, personal conviction, association, expression and action shall not be abridged or impaired by the corporation, except insofar as freedom of any individual member seriously conflicts with the rights of other members or persons, or with public welfare.

In all of its dealings with members, prospective members, prospective leaseholders, and all other persons, the corporation, and/or its duly authorized agents and bodies shall not discriminate against any individual or group for reasons of race, color, creed, sex, age, culture, sexual orientation, family size, religion or national origin.

6.2 OPENNESS AND ACCOUNTABILITY - All meetings and minutes of the corporation or any body of the corporation shall be open to, or available for inspection by, any member upon reasonable request.

6.3 FISCAL YEAR - The fiscal year shall be determined by the Board of Directors.

6.4 INDEMNITY - The Directors, Officers, and Members shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Should any Director be sued arising out of his or her alleged misfeasance or nonfeasance in the performance of his or her duties or out of any alleged wrongful act against the corporation, indemnity shall be paid for his or her reasonable expenses, including attorney fees incurred in the defense of the proceeding if (1) the person sued is successful in whole or in part, or the proceeding against him or her is settled with the approval of the court; and (2) the court finds that his or her conduct fairly merits such indemnity. The amount of such indemnity shall be so much of the attorney fees incurred and other expenses as the court finds to be reasonable.

6.5 NON-DISCRIMINATION - The corporation and/or its duly authorized agents and bodies shall not discriminate against any individual or group for reasons of race, color, creed, sex, age, culture, national origin, marital status, sexual preference, or physical capability.

6.6 LOBBYING & CAMPAIGNING - No substantial part of the activities of the corporation shall be attempting to influence legislation (except as otherwise provided by IRS Section 501 (h)), and the corporation does not participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

ARTICLE VII - Amendments

The Articles of Incorporation and these Bylaws may be altered or amended, in whole or in part, by two-thirds majority vote at any meeting of the Board of Directors, provided that written notice setting forth the nature of the proposed change(s) shall have been given to all Directors at least one month prior to the meeting.

However, any of the above notwithstanding, Article VIII, relating to the disposition of assets in the event of dissolution of the corporation, may not be amended.

Any portion of these Bylaws which are or may become in violation of state or federal law or any rules or regulations promulgated thereunder shall be void and of no effect. If any portion of these Bylaws shall be invalid or unenforceable, the remainder of the Bylaws shall not be affected thereby.

ARTICLE VIII - Dissolution

The decision to dissolve the corporation must be approved by the unanimous approval of the Board of Directors and the affirmative vote of seventy-five percent (75%) of the participating members of the corporation. Notice of the proposed dissolution shall be given to all participating members no later than one month prior to the meeting at which the decision by the participating members is to be made.

In the event that the corporation must be dissolved, the assets of the corporation shall be distributed by the Board as follows:

- A.** To the local nonprofit 'Community Land Trust' corporation(s) serving the area closest to the area(s) in which the corporation owns land and/or interests in land; or
- B.** To any other community land trust, or regional or national community land trust federation or organization; or
- C.** If no other community land trust organization is willing to assume responsibility for the assets of this corporation, or if no other community land trust organization meets the approval of the Board and the participating membership of this corporation, to any other nonprofit organization which agrees to administer the assets of this corporation in accordance with its goals and purposes.

Laconia Area Community Land Trust, Inc. adopted December 7, 1988, and amended October 12, 1989, November 14, 1991, October 18, 1995, October 27, 1999, July 19, 2000, February 15, 2006, October 15, 2014, and October 21, 2015, and October 18, 2017.