

# BYLAWS

of

## SAVE OUR SEBAGO

### ARTICLE I NAME AND PURPOSES

**Section 1.01. Name.** The name of the organization is Save Our Sebago (the “Corporation”).

**Section 1.02. Purpose.** The Corporation is organized for the charitable, educational and scientific purposes of advocating adequate water levels in Sebago Lake; environmental education and advocacy concerning Sebago Lake and surrounding regions; such other purposes as may be set forth in the Articles of Incorporation; as well as for all other purposes permitted under the Maine Nonprofit Corporation Act (the “Act”).

**Section 1.03. Location.** The Corporation shall have its principal place of business in Casco, Maine, or at such other location as the Board of Directors may designate from time to time.

**Section 1.04. Registered Office and Registered Agent.** The Registered Office of the Corporation shall be the office of the Registered Agent, which is set forth in the Articles of Incorporation. The Corporation shall have a Registered Agent, who shall not by reason of such position alone be an officer. The Registered Agent of the Corporation shall be a resident of the State of Maine. The address of the Registered Office may be changed from time to time by the Board of Directors or by the Registered Agent. The Registered Agent may certify votes and actions of the Board of Directors and its committees, and shall perform such other duties and have such powers as are prescribed by the Act. The Registered Agent shall have custody of the corporate seal, if any, and may affix the same on documents requiring it, and attest to the same.

**Section 1.05. Prohibition of the Inurement of Assets and Income to Private Persons.** The Corporation is not organized for pecuniary profit. No part of its net earnings or of its principal shall inure to the benefit of any Member, Officer or Director of the Corporation, or any other private persons, but reimbursements for expenditures or the payment of reasonable compensation for services rendered shall not be deemed to be a distribution of earnings or principal.

**Section 1.06. Dissolution.** If the Corporation is dissolved or its legal existence terminated, either voluntarily or involuntarily, or upon final liquidation of the Corporation, none of its assets shall inure to the benefit of any private individual, and all of its assets remaining after payment of all of its liabilities and the creation of a reasonable reserve for contingent liabilities, if any, shall be transferred to some other organization exempt under Section 501(c) of the Internal Revenue Code, as amended, or

to the United States or an instrumentality thereof for exclusively public purposes, or to the State of Maine or a political subdivision thereof for exclusively public purposes.

## **ARTICLE II BOARD MEMBERSHIP**

**Section 2.01. Qualifications.** Membership on the Board may be granted to any individual that supports the mission and purposes of the Corporation.

**Section 2.02. Termination of Membership.** The Board of Directors, by affirmative vote of two-thirds of all of the members of the Board, may suspend or expel a Board member, and may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any Board member who becomes ineligible for membership, or suspend or expel any member who shall be in default in the payment of dues.

**Section 2.03. Resignation.** Any Board member may resign by filing a written resignation with the Secretary; however, such resignation shall not relieve the Board member so resigning of obligations outstanding as of the date of such resignation.

## **ARTICLE III AUTHORITY AND DUTIES OF DIRECTORS**

**Section 3.01. Authority of Directors.** The Board of Directors is the policy-making body and may exercise all the powers and authority granted to the Corporation by law.

**Section 3.02. Number, Selection, and Tenure.** The Board shall consist of not less than three (3) and not more than nine (9) directors, and shall at all times, except in the limited time during which a vacancy has been created but not yet filled, consist of an odd number of directors. Each director shall hold office for a term of three (3) years. Vacancies existing by reason of resignation, death, incapacity or removal before the expiration of his/her term shall be filled by a majority vote of the remaining directors. In the event of a tie vote, the President shall choose the succeeding director. Directors will elect their successors. A director elected to fill a vacancy shall be elected for the unexpired term of that director's predecessor in office. Except as otherwise provided herein, a Board member shall be elected to serve for a term of three (3) years. For purposes of providing staggered terms of office only, the Board of Directors shall be divided into three (3) classes, which will, as nearly as possible, result in one-third (1/3) of the terms of Board members expiring in each year. Approximately one-third (1/3) of the Board members shall be elected each year at the Annual Meeting, for a term of three (3) years, beginning at the close of said Annual Meeting, except the initial members of the Board of Directors, who shall be elected one-third (1/3) for one (1) year, one-third (1/3) for two (2) years and one-third (1/3) for three (3) years. The Board may extend the term of any Board member

whose term would otherwise expire hereunder, as and to the extent deemed desirable by the Board.

**Section 3.03. Resignation.** Resignations are effective upon receipt by the Secretary of the Corporation of written notification.

**Section 3.04. Regular Meetings.** The Board of Directors shall hold at least one regular meeting per calendar year. Meetings shall be at such dates, times and places as the Board shall determine.

**Section 3.05. Special Meetings.** Meetings shall be at such dates, times and places as the Board shall determine.

**Section 3.06. Notice.** Meetings may be called by the President, or at the request of any two (2) Board members by notice emailed, mailed, telephoned, or telegraphed to each member of the Board not less than forty-eight (48) hours before such meeting, provided, however, that the Board members or any one of them may waive the requirement of notice to such members or member.

**Section 3.07. Conduct of Meeting; Record of Meetings.** The President of the Corporation, or in his or her absence, the Vice President or, in his or her absence, the Secretary or Treasurer, or, in his or her absence, any Board member chosen by the Board members present shall call meetings of the Board of Directors to order and shall act as the presiding officer for the meeting. One of the Board members designated by the Board participating in the meeting shall keep a record of the meeting.

**Section 3.08. Quorum.** A quorum shall consist of a majority of the Board attending in person or through teleconferencing. All decisions will be by majority vote of those present at a meeting at which a quorum is present. If less than a majority of the directors is present at said meeting, a majority of the directors present may adjourn the meeting on occasion without further notice. Each Board member shall have one (1) vote.

**Section 3.09. Action Without a Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors (including amendment of these Bylaws) or of any committee may be taken without a meeting if all the members of the Board or committee consent in writing, including email, to taking the action without a meeting and to approving the specific action. Such consents shall have the same force and effect as a unanimous vote of the Board or of the committee as the case may be.

**Section 3.10. Participation in Meeting by Conference Telephone.** Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as members participating in such meeting can hear one another.

**Section 3.11. Committees.** The Board of Directors may, by resolution adopted by a majority of the Directors in office, establish committees of the Board composed of at

least two (2) persons which, except for an Executive Committee, may include non-Board members. The Board may make such provisions for appointment of the chair of such committees, establish such procedures to govern their activities, and delegate thereto such authority as may be necessary or desirable for the efficient management of the property, affairs, business, and activities of the Corporation. Unless otherwise expressly provided by law or by the Articles of Incorporation or by resolution of the Board, the Executive Committee shall have and may exercise all the powers of the Board (except the power to (i) amend or repeal these Bylaws (ii) amend the Articles of Incorporation, (iii) adopt a plan of merger or consolidation, (iv) recommend to the Members the sale or other disposition of all or substantially all of the property and assets of the Corporation other than in the usual course of its business, or (v) recommend to the Members voluntary dissolution of the Corporation or revocation of such dissolution when the latter is not in session, and each other committee shall have and may exercise, when the Board is not in session, such powers as the Board shall confer. All action by any committee shall be reported to the Board at its meeting next succeeding such action.

**Section 3.12. Nominating Committee.** There shall be a Nominating Committee, composed of the President and at least one (1) other individual, which shall be responsible for nominating prospective members for the Board of Directors. Each member of the committee shall have one (1) vote and decision shall be made by the majority.

**Section 3.13. Reimbursement.** Board members shall serve without compensation with the exception that expenses incurred in the furtherance of the Corporation's business are allowed to be reimbursed with documentation and prior approval. In addition, Board members serving the organization in any other capacity, such as staff, are allowed to receive compensation therefor.

#### **ARTICLE IV AUTHORITY AND DUTIES OF OFFICERS**

**Section 4.01. Officers.** The officers of the Corporation shall be a President, a Vice-President, a Secretary/Treasurer, and such other officers as the Board of Directors may designate. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary/Treasurer.

**Section 4.02. Appointment of Officers; Terms of Office.** The officers of the Corporation shall be elected by the Board of Directors at regular meetings of the Board, or, in the case of vacancies, as soon thereafter as is convenient. New offices may be created and filled at any meeting of the Board of Directors. Terms of office may be established by the Board of Directors, but shall not exceed three (3) years. Officers shall hold office until a successor is duly elected and qualified. Officers shall be eligible for reappointment.

**Section 4.03. Resignation.** Resignations are effective upon receipt by the Secretary of the Board of a written notification.

**Section 4.04. Removal.** An officer may be removed by the Board of Directors at a meeting, or by action in writing pursuant to Section 3.08, whenever in the Board's judgment the best interests of the Corporation will be served thereby. Any such removal shall be without prejudice to the contract rights, if any, of the person so removed.

**Section 4.05. President.** The President shall be a director of the Corporation and will preside at all meetings of the Board of Directors. The President shall perform all duties attendant to that office, subject, however, to the control of the Board of Directors, and shall perform such other duties as on occasion shall be assigned by the Board of Directors.

**Section 4.06. First and Second Vice Presidents.** The Vice Presidents shall be directors of the Corporation. The Vice Presidents shall perform such duties as are requested and assigned by the President, subject to the control of the Board of Directors. In the absence of the President, the First Vice President (or in his or her absence, the Second Vice President) shall perform the duties of the President.

**Section 4.07. Secretary/Treasurer.** The Secretary/Treasurer shall be a director of the Corporation and shall keep the minutes of all meetings of the Board of Directors in the books proper for that purpose. The Secretary/Treasurer shall also report to the Board of Directors at each regular meeting on the status of the Corporation's finances. The Secretary/Treasurer shall work closely with any paid executive staff of the Corporation to ascertain that appropriate procedures are being followed in the financial affairs of the Corporation, and shall perform such other duties as occasionally may be assigned by the Board of Directors.

**Section 4.08. Paid Staff.** The Board of Directors may hire such paid staff as they deem proper and necessary for the operations of the Corporation. The powers and duties of the paid staff shall be as assigned or as delegated to be assigned by the Board.

## **ARTICLE V INDEMNIFICATION**

**Section 5.01. General.** Every member of the Board of Directors, officer, employee or agent of the Corporation may be indemnified by the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred or imposed upon such members of the Board, officer or employee in connection with any threatened, pending, or completed action, suit or proceeding to which she/he may become involved by reason of her/his being or having been a member of the Board, officer, or employee of the Corporation, or any settlement thereof, unless adjudged therein to be liable for negligence or misconduct in the performance of her/his duties. Provided, however, that in the event of a settlement the indemnification herein shall apply only when the Board approves such settlement and

reimbursement as being in the best interest of the Corporation. The foregoing right of indemnification shall be in addition and not exclusive of all other rights which such member of the Board, officer or employee is entitled.

**Section 5.02. Power to Purchase and Maintain Insurance.** The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a Board member, Officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a Board member, Officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under this Article.

## **ARTICLE VI ADVISORY BOARDS AND COMMITTEES**

**Section 6.01. Establishment.** The Board of Directors may establish one or more Advisory Boards or Committees.

**Section 6.02. Size, Duration, and Responsibilities.** The size, duration, and responsibilities of such boards and committees shall be established by a majority vote of the Board of Directors.

## **ARTICLE VII FINANCIAL ADMINISTRATION**

**Section 7.01. Fiscal Year.** The fiscal year of the Corporation shall be July 1 through June 30 but may be changed by resolution of the Board of Directors.

**Section 7.02. Checks, Drafts, Etc.** All checks, orders for the payment of money, bills of lading, warehouse receipts, obligations, bills of exchange, and insurance certificates shall be signed or endorsed by such officer or officers or agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors or of any committee to which such authority has been delegated by the Board.

**Section 7.03. Deposits and Accounts.** All funds of the Corporation, not otherwise employed, shall be deposited from time to time in general or special accounts in such banks, trust companies, or other depositories as the Board of Directors or any committee to which such authority has been delegated by the Board may select, or as may be selected by the President or by any other officer or officers or agent or agents of the Corporation, to whom such power may from time to time be delegated by the Board. For the purpose of deposit and for the purpose of collection for that account of the Corporation, checks, drafts, and other orders of the Corporation may be endorsed,

assigned, and delivered on behalf of the Corporation by any officer or agent of the Corporation.

**Section 7.04. Investments.** The funds of the Corporation may be retained in whole or in part in cash or be invested and reinvested on occasion in such property, real, personal, or otherwise, or stock, bonds, or other securities, as the Board of Directors in its sole discretion may deem desirable, without regard to the limitations, if any, now imposed or which may hereafter be imposed by law regarding such investments, and which are permitted to organizations exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code.

## **ARTICLE VIII CONFLICTS OF INTEREST**

**Section 8.01. Statement of Potential Conflicts.** Prior to taking his or her position on the Board of Directors, and annually thereafter, each Board member shall from time to time submit to the President a list of all businesses and other organizations of which he or she is an officer, director, member, owner, shareholder, employee or agent with which the Company has, or might be expected to have, a relationship or a transaction in which the Board member might have a conflicting interest. Each written statement will be resubmitted with any necessary changes annually. The President and the Board of Directors shall become familiar with the statements of all Directors in order to guide the conduct of the Board of Directors should such a conflict arise.

**Section 8.02. Conflict of Interest.** A conflict of interest transaction is a transaction in which a Board member has a direct or indirect financial interest. For the purposes of this Section, a Board member has an indirect interest in a transaction if:

- (a) Another entity in which the Board member has a material interest or in which the Board member is a general partner is a party to the transaction;  
or
- (b) Another entity of which the Board member is a Board member, officer or trustee is a party to the transaction.

**Section 8.03. Transaction not voidable or grounds for liability.** A conflict of interest transaction is not voidable or grounds for imposing liability on a Board member if the transaction was fair at the time it was entered into or is approved as provided in Section 8.04.

**Section 8.04. Approval.** A transaction in which a Board member has a conflict of interest may be approved by the Board members before or after consummation of the transaction as follows:

- (a) The Board of Directors or a Committee may authorize, approve or ratify a transaction if the material facts of the transaction and the Board member's interest are disclosed or known to the Board or Committee.
- (b) Approval by Board of Directors. For purposes of this Section 8.04, a conflict of interest transaction is approved if it receives the affirmative vote of a majority of the Board members of the Company or of a Committee who have no direct or indirect interest in the transaction, but a transaction may not be approved under this subsection by a single Board member. If a majority of the Board members who have no direct or indirect interest in the transaction vote to approve the transaction, a quorum is present for the purpose of taking action under this Section 8.04(b).
- (c) Authority to fix compensation. Except to the extent that the Articles of Incorporation or Bylaws otherwise provide, the Board of Directors or the executive committee, without regard to this Section 8.04, has authority to fix the compensation of Board members for their services as Board members or officers or in any other capacity.

## **ARTICLE IX STANDARDS FOR BOARD MEMBERS AND OFFICERS**

### **Section 9.01. General Standards for Board Members.**

- (a) Discharge duties. A Board member shall discharge his or her duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and in a manner the Board member reasonably believes to be in the best interests of the Corporation.
- (b) Rely on information. In discharging the Board member's duties, a Board member is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:
  - i. One or more officers or employees of the Corporation whom the Board member reasonably believes to be reliable and competent in the matters presented;
  - ii. Legal counsel or a public accountant or other person as to matters the Board member reasonably believes are within the person's professional or expert competence; or
  - iii. A Committee of which the Board member is not a member, as to the matters within its jurisdiction, if the Board member reasonably believes the Committee merits confidence.

A Board member is not acting in good faith if the Board member relies on information, opinions, reports or statements that the Board member knows or has reason to believe are unwarranted.

- (c) Performance; compliance. A Board member is not liable for the performance of the duties of the Board member's office if the Board member acted in compliance with this section and, if a conflict-of-interest transaction is involved, the transaction was fair to the Corporation or was approved pursuant to these Bylaws.
- (d) Trustee. A Board member is not considered a trustee with respect to the Board member's company or with respect to any property held or administered by that company, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of the property.

#### **Section 9.02. General Standards for Officers.**

- (a) Discretionary authority. An Officer with discretionary authority shall discharge that Officer's duties under that authority in good faith; with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and in a manner the Officer reasonably believes to be in the best interests of the Company.
- (b) Rely on information. In discharging the Officer's duties, an Officer of the Corporation is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:
  - i. One or more Officers or employees of the Corporation whom the Officer reasonably believes to be reliable and competent in the matters presented; or
  - ii. Legal counsel or a public accountant or other person as to matters the Officer reasonably believes are within the person's professional or expert competence.

An Officer is not acting in good faith if the Officer relies on information, opinions, reports or statements that the officer knows or has reason to believe are unwarranted.

- (c) Compliance. An Officer is not liable to the Corporation or any other person for any action taken or not taken as an Officer if the Officer acted in compliance with this section and, if a conflict-of-interest transaction is involved, the transaction was fair to the Corporation or was approved pursuant to these Bylaws.

**ARTICLE X  
BOOKS AND RECORDS**

Correct books of account of the activities and transactions of the Corporation shall be kept at 87 ½ Harpswell Rd., Brunswick, Maine 04011. These shall include a minute book, which shall contain a copy of the Articles of Incorporation, a copy of these Bylaws, and all minutes of meetings of the Board of Directors. All books and records may be inspected by any Officer or Board member, or the Officer's or Board member's agent or attorney, for any proper purpose at any reasonable time, as long as the Officer or Board member, or the Officer's or Board member's agent or attorney gives the Corporation written notice of at least five (5) business days before the date on which the Officer or Board member or the Officer's or Board member's agent or attorney wishes to inspect and copy any books or records. The Board may require the Officer or Board member, or the Officer's or Board member's agent or attorney pay the reasonable cost of the copies made and may impose reasonable restrictions on the use or distribution of the records by such person.

**ARTICLE XI  
AMENDMENT OF BYLAWS**

These Bylaws may be amended by a majority vote of the Board of Directors, provided prior notice is given of the proposed amendment in the notice of the meeting at which such action is taken, or provided all members of the Board waive such notice, or by unanimous consent in writing without a meeting pursuant to Section 3.09.