

Bylaws of the Royal River Conservation Trust (RRCT)

*As amended by a vote of the membership at the June 17, 2010, Annual Meeting*

ARTICLE I: Name. The name of this corporation is the Royal River Conservation Trust (formerly Friends of the Royal River).

ARTICLE II: Offices

Section II.1. Principal Office. The principal office for the transaction of the business of the corporation shall be located in the State of Maine at the location selected from time to time by the Board of Directors.

Section II.2. Other Offices. The Board of Directors may at any time establish branch or subordinate offices at any place or places, within or without the State of Maine.

ARTICLE III: Purposes

Section III.1. This corporation has been established for charitable, recreational, scientific, and educational purposes as are permitted to organizations exempt from federal income tax and described in Section 501(c)(3) of the Code, including:

- a. To promote and protect the watershed habitat of the Royal River for the benefit of the general public. This habitat includes land and water resources, plant and animal life, and unique scenic, agricultural, natural and historic sites;
- b. To engage in and promote scientific study and education regarding the watershed habitat;
- c. To use all property held or controlled by the corporation and the net earnings for the benefit of the general public and for charitable, educational, recreational, conservation, scientific or historical purposes.
- d. To promote for the benefit of the general public the preservation of natural resources primarily in the watershed of the Royal River in Cumberland and Androscoggin Counties, State of Maine (the "Watershed"), but limited to the Towns which include at least a portion of the Watershed . These resources include the watershed habitat of the Royal River.
- e. In conformity with the purposes of this article, the corporation may accept primarily by gift, devise or bequest, but also may obtain by purchase, lease, or otherwise, property, and interests therein, including but not limited to development rights therein, and other property, real, personal or mixed, of unique natural, scenic, and agricultural significance to the Watershed. Other specific purposes of the corporation shall be to maintain open space areas where the interaction of natural forces and conditions may be studied, to provide preserves for wildlife, agricultural land, and growth areas for marine and aquatic life, to demonstrate and teach the necessity of preserving our natural heritage by conservation and preservation so that present and future generations may enjoy it, and to provide opportunities for passive recreation.
- f. The corporation is authorized to acquire by gift, devise, lease, purchase or otherwise, real and personal property both tangible and intangible, and interests therein, with or without restriction of use, in accordance with the corporate purposes; to hold for investment or in trust and to sell, lease, mortgage, encumber or dispose of such real estate, personal property or other property evidence of

indebtedness of any person, firm, partnership, association or corporation for the benefit solely of this corporation, and not for any pecuniary profit.

- g. The foregoing enumeration of specific powers shall not be deemed to be exclusive, and in general the corporation shall have the power to do all things incidental, necessary or convenient to the carrying out of its general aims and is permitted by the laws of the State of Maine, as amended from time to time, and Section 501 (c) (3) of the Internal Revenue Code, as amended.

Section III.2. References in these bylaws (and any amendment hereto) to the "Code" mean the United States Internal Revenue Code of 1986, including any amendment thereto, whether adopted before or after the date hereof or of any amendment hereto, and also including any succeeding United States internal revenue law, whenever enacted, containing provisions substantially similar to the foregoing. References in these bylaws to specific sections of the Code shall be construed to refer to substantially similar provisions of any succeeding statute notwithstanding any difference in the manner in which such provisions are numbered or otherwise designated.

ARTICLE IV: Nonpartisan Activities. No substantial part of the activities of the corporation shall consist of the carrying on of propaganda, or otherwise attempting, to influence legislation; nor will the corporation participate or intervene in any political campaign on behalf of any candidate for public office.

ARTICLE V: Dedication of Assets. No part of the net earnings or assets of the corporation, on dissolution or otherwise, may inure to the benefit of any individual, including any director or officer of the corporation. On liquidation or dissolution of the corporation, all assets must be distributed to an organization or organizations selected by the Board of Directors that are dedicated to purposes compatible with those of the corporation. Any organization must be recognized by the Internal Revenue Service as an organization described in Section 501(c)(3) of the Code.

ARTICLE VI: Membership

Section VI.1. Eligibility. Any person, including an individual, trust, estate, partnership, association, company or corporation, that pays the annual dues, as set from time to time by the Board of Directors, is considered a member of the corporation. The duties and privileges of membership may be exercised by that member in person or by a duly authorized representative; provided that there is not more than one vote for each membership.

Section VI. 2. Membership. Membership shall be so recorded on the books of the corporation maintained by the Treasurer for that purpose, together with a record of the payment of dues.

Section VI. 3. Duties and Privileges. Members in good standing are entitled to all the benefits and privileges associated with their membership. Each member, in good standing, shall be entitled to one vote, which may be cast in person, or by duly authorized proxy given to the Secretary not more than 30 days prior to the date of any meeting of the members. Only members in good standing are entitled to vote at meetings of the corporation, or serve as officers.

Section VI.4. Termination of Membership. Membership of any member terminates twelve months after that member has paid annual dues, but shall be reinstated upon the payment of annual dues.

ARTICLE VII: Meetings of Members of the Corporation

Section VII. 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 VII. 2. Special Meetings. Special meetings of the members may be called at any time by the President, by the Board of Directors, or by petition in writing signed by not fewer than ten members of the corporation entitled to vote and filed with the Secretary. At such special meetings no business may be transacted which is not specified in the notice of the meeting.

Section VII. 3. Voting. At any meeting of the members of the corporation, ten members present constitutes a quorum for the transaction of business; and in the event no quorum is present, the members represented shall have the power to adjourn from time to time until a quorum is present. Each member shall have one vote.

Section VII. 4. Notice. Not fewer than ten days prior to each meeting, notice shall be given to all members (by mail, or with a member's agreement, by e-mail, fax or other means) setting forth the date, time and place of that meeting and indicating the nature of the business to be transacted.

ARTICLE VIII: Board of Directors

Section VIII.1. Number. The number of directors shall be as set by the Board of Directors from time to time, provided there are always be at least five and not more than twenty-one directors, and provided further that, except as specifically provided by law or by Section 3 of this Article, no director may be removed from office before the expiration of that director's term.

Section VIII.2. Selection, Qualification and Term. The directors shall be elected by the members at the annual meeting and each director elected shall serve for three (3) years, provided, however, one third of directors may be elected to a one (1) year term and one third to a two (2) year term so that up to one third of the directors' terms shall expire each year.

Section VIII.3. Vacancies, Resignation and Removal. Any vacancy in the Board of Directors, including newly created directorships created by an increase in the number of directors, may be filled at the time that vacancy arises or at any time thereafter by a majority of the remaining directors. Any director may resign from office by delivering a written resignation to the President or Secretary. Any director may be removed from office, with or without cause, upon the vote of two-thirds of the other directors then in office.

Section VIII.4. Powers. The Board of Directors shall manage and control the business, property and affairs of the corporation.

ARTICLE IX: Meetings of the Board of Directors

Section IX.1. Annual Meeting. The annual meeting of the Board of Directors shall be held each year at such time and place as the Board of Directors may determine, concurrent with the annual meeting of members. Each director must be notified of the time, place and date of this meeting at least ten days in advance thereof in writing, by telephone, e-mail, or in person by an officer or staff person of the corporation.

Section IX.2. Special Meetings. Special meetings of the Board of Directors may be called by the President, any Vice President, the Secretary, the Treasurer or a majority of the Board of Directors. The person or persons calling the special meeting shall fix the time and place thereof. Unless notice of a special meeting is waived in the manner prescribed by law or these bylaws, notice of each special meeting of the Board of Directors, in writing, by e-mail, by telephone or in person, shall be given by the person or persons calling the special meeting at least 48 hours in advance thereof. Any written notice is considered given to a particular director if addressed to that director at that director's usual or last known business or residence address and deposited in the United States mail in an addressed, post-paid envelope. Neither the business to be transacted at, nor the purpose of any annual or special meeting of the Board of Directors need be specified in the notice of the meeting.

Section IX.3. Attendance as Waiver of Notice. Attendance of a director at any meeting constitutes waiver of notice of such meeting, except if a director attends for the express purpose, stated at the commencement of the meeting, of objecting to the transaction of any business because the meeting has not been lawfully convened.

Section IX.4. Quorum and Vote Required. At any meeting of the directors, a majority of the directors then in office constitutes a quorum for the transaction of business. The directors present at a duly convened meeting at which a quorum was once present may continue to do business and take action at the meeting notwithstanding the withdrawal of enough directors to leave less than a quorum. Any meeting may be adjourned from time to time by a majority of the votes cast upon the question, whether or not a quorum is present, and the meeting may be held as adjourned without further notice if the time and place to which it is adjourned are fixed and announced at the time of adjournment. The vote of a majority of the directors present at a meeting at which a quorum is or has been present is an act of the Board of Directors unless the vote of a greater number is required elsewhere in these bylaws or by law.

Section IX.5. Action by Consent. Any action required or permitted to be taken at a meeting of the directors, or of a committee of the directors, may be taken without a meeting if a majority of the directors, or a majority 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 that action. Electronic mail constitutes a written consent. These consents must be summarized in the minutes of directors' meetings or committee meetings, as the case may be, and shall have, and may be stated by any officer of the corporation to have, the same effect as a unanimous vote or resolution of the Board of Directors. Any such action taken by unanimous written consent may, but need not be, set forth in such consent in the form of resolutions or votes.

Section IX.6. Telephone Meetings. Members of the Board of Directors or of any committee designated thereby may participate in a meeting of the Board or a committee, by means of conference telephone or similar communications equipment so that all persons participating in the meeting can hear each other. Participating in a meeting in this manner by any member who does not object at the beginning of the meeting to this procedure constitutes presence in person at that meeting.

#### ARTICLE X: Executive Committee

Section X.1. Executive Committee. The Board of Directors, by resolution, may designate from among its members an executive committee consisting of three or more officers, and may delegate to such executive committee all the authority of the Board of Directors in the management of the corporation's business and affairs, except as limited by law or by the resolution establishing the executive committee or by any other resolution thereafter adopted by the Board of Directors. Vacancies in the membership of the executive committee shall be filled by resolution adopted by the Board of Directors then in office. Members of the executive committee may be removed from membership on such committee, with or without cause, by

resolution adopted by the Board of Directors. So far as practicable, the provisions of these bylaws relating to the convening and conduct of meetings of the Board of Directors shall govern the convening and conduct of meetings of the executive committee.

Section X.2. Nominating Committee. Prior to the annual meeting, the President shall appoint a Nominating Committee, comprised of directors, to nominate persons for the directors' positions.

Section X.3. Committees. The Board of Directors may from time to time and for terms as they may see fit, appoint other committees necessary to implement purposes of the corporation. The Board may authorize committees to exercise any powers of the Board.

#### ARTICLE XI: Officers

Section XI.1. Number. The officers of the corporation shall be chosen by the Board of Directors and shall be a President, a Secretary and a Treasurer. There may also be one or more Vice Presidents. One person may serve in more than one office. The Board of Directors may also elect one or more Assistant Secretaries and Assistant Treasurers.

Section XI.2. When Chosen. The Board of Directors at its initial meeting after the incorporation of the corporation and at each subsequent annual meeting shall choose such officers, none of whom (except the President and any Vice President) need be a member of the Board.

Section XI.3. Additional Officers. The Board of Directors may appoint other officers as it deems appropriate. The terms, powers and duties of those officers shall be determined by the Board of Directors.

Section XI.4. Vacancies, Term and Removal. The President, any Vice President, the Secretary and the Treasurer of the corporation shall hold office until their successors are chosen and qualify. Other officers shall hold office at the pleasure of the President. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors, with or without cause. Any vacancy occurring in any office of the corporation may be filled at the time it arises or at any time thereafter by the Board of Directors.

Section XI.5. President. The President is the chief executive officer of the corporation, shall preside at all meetings of the Board of Directors, has charge of the general management of the business of the corporation and sees that all orders and resolutions of the Board of Directors are carried into effect.

Section XI.6. Vice President. The Vice President (or Vice Presidents, if there be more than one, in the order designated by the Board of Directors) shall, in case of the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform any other duties and have other powers as the Board of Directors may from time to time prescribe.

Section XI.7. Secretary. The Secretary shall attend all meetings of the Board of Directors and record all the proceedings of the Board of Directors in a book kept for that purpose, and shall perform like duties for the executive committee, if any. The Secretary shall perform any other duties prescribed by the Board of Directors or the President, under whose supervision the Secretary shall be. The Secretary, or an Assistant Secretary, has authority to affix the corporate seal to any instrument requiring it and when so affixed, it may be attested by his signature or by the signature of such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the corporation and to attest the same.

Section XI.8. Assistant Secretaries. The Assistant Secretary, or if there be more than one, the Assistant Secretaries, in the order determined by the Board of Directors, shall, in case of the absence or disability of

the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board of Directors or the President may from time to time prescribe.

Section XI.9. Treasurer. The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books kept for that purpose. The Treasurer shall perform other duties as prescribed by the Board of Directors or the President, under whose supervision the Treasurer shall be.

Section XI.10. Assistant Treasurers. The Assistant Treasurer, or if there be more than one, the Assistant Treasurers in the order determined by the Board of Directors shall, in the case of absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board of Directors or the President may from time to time prescribe.

ARTICLE XII: 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 at which quorum is present, and at which there is an affirmative vote of two-thirds of the members entitled to vote according to membership policies established by the Executive Committee. Such members shall be present or represented by proxy at such meeting. The notice for any such meeting shall contain a description of the proposed transaction and the reasons therefore. Such membership approval, however, is not required for the mortgaging, or sale of a portion of real estate in connection with its acquisition for the purpose of financing that transaction. Nor shall membership approval be required for the transfer, exchange, encumbrance of other alienation of 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 require the affirmative vote of two-thirds of the total number of directors then in office. No such real estate, however, may 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 Service Code of 1954, as amended, and the regulations issued thereunder 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 XIII. Protection of Officers and Directors

Section XIII.1. Limitation of Liability. No director or officer is liable to this corporation except for his own acts, neglects and defaults in bad faith. No directors or officers are liable out of his or her personal assets for any obligation or liability incurred by this corporation or by the directors. The corporation alone is liable for the payment or satisfaction of all obligations and liabilities incurred in carrying on the affairs of this corporation.

Section XIII.2. Indemnification. The Corporation shall, to the full extent of its power to do so provided by law, including without limitation Section 714 of Title 13-B of the Maine Revised Statutes Annotated, indemnify any and all present and former officers, directors, employees, committee members and other agents of the Corporation against expenses, including attorneys' fees, judgments, fines and amounts paid in connection with any action, suit or proceeding in which by reason of their being or having been officers, directors, employees, committee members, or agents of the Corporation, they shall be finally adjudicated not to have acted in good faith in the reasonable belief that his or her action was in the best interest of the Corporation, or, with respect to any criminal action or proceeding, where such person is finally adjudged to have had reasonable cause to believe that his or her conduct was unlawful or with respect to any action which is finally adjudicated to have been grossly negligent. Such indemnification

shall be made in accordance with the procedures set forth in Maine Revised Statutes Annotated, Title 13-B, Section 714, subsection 3, as the same may be amended from time to time. Such indemnification is not deemed exclusive of any other rights to which those indemnified may be entitled under any other bylaw, agreement or otherwise.

ARTICLE XIV: Prohibition against Private Gain. No officer or director shall receive any pay, compensation or benefit from the corporation directly or indirectly, for performing duties. No member of the corporation may receive any pay, compensation or benefits from the corporation for being a member. This Bylaw does not prohibit the reimbursement of incidental expenses necessarily incurred in the business of the corporation by any officer or director duly authorized and also does not prohibit the employment of persons, including members, to perform duties for the corporation and receive compensation therefor, upon proper authorization of the Board of Directors.

#### ARTICLE XV: Financial Matters

Section XV.1. Deposit of Funds. All funds of the corporation not otherwise employed shall be deposited in such banks or trust companies or with such bankers or other depositaries as the Board of Directors may from time to time determine.

Section XV.2. Checks. All checks, drafts, endorsements, contracts, agreements, notes and evidences of indebtedness of the corporation shall be signed by such officer or officers or agent or agents of the corporation and in such manner as the Board of Directors may from time to time determine.

Section XV.3. Fiscal Year. The fiscal year of the corporation ends on December 31.

ARTICLE XVI: Corporate Seal. The corporate seal of the corporation shall be circular in form and shall bear the words "Royal River Conservation Trust," the word "Maine" and the year of the corporation's incorporation. The form of such seal may be altered from time to time by the Board of Directors.

ARTICLE XVII: Amendment of Bylaws. Amendments to these Bylaws may be proposed by a majority of the full Board of Directors, or, if discussed at any regular or special meeting of the corporation, by a majority of the votes of the members present at such meeting in person or by proxy. Copies of any such proposed amendment must then be sent to all members of the corporation with at least 20 days prior notice of a meeting of the corporation, at which the proposed amendment must receive a two-thirds vote of the members then present in person or by proxy before becoming a part of the Bylaws.

ARTICLE XVIII: 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 Royal River Conservation 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 Royal River Conservation 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.

(end)