

The Arts Guild of Old Forge, Inc.

By-Laws

Proposed Revision / 2010

ARTICLE I - NAME / SEAL / OFFICE

1. **Name.** The name of this corporation shall be The Arts Guild of Old Forge, Inc.
2. **Incorporation.** The corporation was formed in 1967 under the NYS Membership Corporation Law and is governed by its successor, the NYS Not-For-Profit Corporation Law, as a Type B corporation.
3. **Seal.** The seal of the corporation shall be circular in form and shall bear on its outer edge the words "The Arts Guild of Old Forge, Inc."
4. **Office.** The principal office of the corporation shall be located in Old Forge, in the Town of Webb, Herkimer County, New York.

ARTICLE II - PURPOSE

1. **Purpose.** The purposes for which the corporation is formed are those set forth in its Certificate of Incorporation, as from time to time amended, and:

to promote the study and appreciation of the arts among the residents of the Fulton Chain of Lakes area and visitors to the Adirondack region;

to hold competitions and exhibitions;

to produce performances, both educational and entertaining;

to present such artistic programs as fill the cultural needs of the community;

to encourage cooperation and understanding among artists and the community; and

to provide facilities and personnel in the arts for the community in and around the Fulton Chain of Lakes area of the Central Adirondacks .

2. **Not For Profit.** The corporation is not formed for pecuniary or financial gain, and no part of the assets, income or profits of the corporation is distributable to or inures to the benefit of its members, directors or officers except to the extent permitted under the Not-for-Profit Corporation Law of the State of New York.

No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise intervening in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE III - CONSTRUCTION

If there is any conflict between the provisions of the Certificate of Incorporation and these By-Laws, provisions of the Certificate of Incorporation shall govern.

ARTICLE IV - MEMBERSHIP

- 1. Eligibility.** Membership in The Arts Guild of Old Forge, Inc. shall be open to all, upon the payment of annual dues, or a lifetime membership.
- 2. Classes of Membership Authorized.** The corporation shall have one class of membership.
- 3. Membership Levels.** The Board of Directors may establish criteria for various membership levels, including, but not limited to, a schedule of dues and corresponding benefits.
- 4. Evidence of membership.** Each member shall be issued a membership card or certificate indicating the member's (or business') name, the membership level, and its expiration date. Membership cards (except for business memberships) are not transferable.
- 5. Voting.** Each membership shall carry the right to cast one (1) vote on matters brought before the membership. An individual member holding more than one type of membership shall nonetheless be allowed to cast only one (1) vote.

ARTICLE V - MEMBERSHIP MEETINGS

- 1. Annual Meeting.** The Board of Directors shall call a membership meeting at least annually, on a date to be set at least sixty (60) days in advance, for the purpose of electing Directors, making committee reports to the members of progress in the past year, plans for the coming year, and to transact other business. It shall be open to the public, but only members are allowed to vote on the business brought before the meeting.
- 2. Special Meetings.** Special meetings of the members entitled to vote may be called at any time by (a) the President of the Board, or (b) by a majority vote of the Board of Directors, provided said vote is taken at a duly called meeting at which a quorum is present, or (c) upon the written request of at least ten percent (10%) of the qualified voting members of the corporation.
- 3. Action by Members Without a Meeting.** Whenever under the Not-For-Profit Corporation Law, the membership is required or permitted to take any action or vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by a majority of the members entitled to vote thereon. This option is intended for use in circumstances where calling a membership meeting is not feasible.
- 4. Place of Meeting.** Meetings of the membership shall be held at the principal office of the cor-

poration or at such other place, within or without the State, as may be fixed by the Board of Directors.

5. Notice of Meeting. In any year where the corporation has more than five hundred (500) members, notice of meetings of the membership may be served by publication, in lieu of mailing, in a newspaper published in the county of the state in which the principal office of the corporation is located, once a week for three (3) successive weeks next preceding the date of the meeting. Said notice shall include the date, place and time of the meeting and the nature of the business to be presented for vote.

6. Waiver of Notice. The attendance of any member entitled to vote at a meeting without protesting prior to the conclusion of the meeting the lack of notice of such meeting shall constitute a waiver of notice by the member.

7. Quorum. A quorum of the general membership is required for the legal and proper conduct of business. A quorum at a membership meeting shall consist of the lesser of 100 members or 10% of the general membership, present either in person or by proxy. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any member(s).

8. Other Actions at Membership Meeting. Whenever any corporate action, other than election of Directors, is to be taken by a vote of the membership, it shall be authorized by a majority vote of the members present, unless otherwise specified herein

9. Adjournment. A majority of the members entitled to vote present at any meeting of the membership, whether or not a quorum is present, may adjourn the meeting to another time or place. Notice of the adjournment shall be given to all members entitled to vote absent at the time of adjournment.

10. Proxies. Every member entitled to vote at a meeting of the membership, or to express consent or dissent without a meeting, may authorize another person or persons to act for such member by proxy. Every proxy must be signed by the member or by his/her attorney-in-fact, and validated by the corporation's Election Inspectors before it can be utilized in voting. No proxy shall be valid after the expiration of eleven (11) months from the signature date, and the proxy shall be revocable at the pleasure of the member who signed it.

11. List of Members. A list or record of members entitled to vote, certified by the Secretary, shall be produced at any meeting of the membership upon the request of any member who has given written notice to the corporation that such request will be made, at least ten (10) days prior to such meeting. If the right to vote at any meeting is challenged, the Election Inspector(s), or person presiding thereat, shall require such list or record of members to be produced as evidence of the right of the persons challenged to vote at such meeting, and all persons who appear from such list of record to be members entitled to vote thereat may vote at such meeting.

12. Chairperson. In all meetings of the membership, the President of the Board, or in his/her absence, the Vice President, or in his/her absence, another Director chosen by the Board shall preside.

13. Secretary. At all meetings of the membership, the Secretary of the Board, or in his/her absence, another Director chosen by the Board, shall act as Secretary at the meeting.

ARTICLE VI - ANNUAL REPORT

The Board of Directors shall present at the Annual Meeting, a report certified by an independent public accountant, or verified by the President and Treasurer or by a majority of the Directors, including the following information:

- a) Balance sheet,
- b) Statement of changes in assets / liabilities,
- c) Profit & loss statement.

The Board shall also present the following:

- d) Comparison of actual performance and the corporation's Business Plan;
- e) Projections for income and expenses in the coming year;
- f) Total membership of the corporation and its change; and
- g) Reports on past and upcoming events/performances/shows/fundraisers of note.

Said data shall be as of the end of a twelve (12) month fiscal period terminating not more than nine (9) prior to the meeting. In recognition of the fact that the fiscal year of the corporation ends on December 31st, the reports shall include the audited financial statements as of year-end, and six-month interim reports as of July 31st.

ARTICLE VII - ELECTION OF DIRECTORS

1. Qualification of Directors. The Nominating Committee will develop a set of criteria for prospective directors, including, but not limited to (a) a list of the general "skill-sets" desirable for the Board; (b) a list of the constituencies that should be represented; and (c) the duties, obligations and expectations of a Board member.

2. Candidate Selection. Candidates may be selected by the Nominating Committee or by the membership.

3. Nomination Process. The membership, through its representatives, has the right to assure that the selection, nomination and election of the Board of Directors, in whom they have vested the management of the corporation, are conducted in a manner which is open to all members for input and participation.

Prior to July 1st each year, the Executive Committee of the Board shall determine the number of Directors to be elected and the skills to be sought, based on a forecast of future needs. The Executive Committee shall then establish a Nominating Committee including at least one Director, one non-Board general member and one non-Board business member. The number of Directors and skill-sets needed shall be put before the Nominating Committee by the Board member on that Committee.

The Director who is responsible for Conformance Oversight duties should provide the Nominating Committee with any information received from the membership which is pertinent to the nomination process.

Upon acceptance as a nominee, each candidate shall submit his/her resume, and be interviewed by the Nominating Committee.

4. Nominations from Floor: Any member in good standing may run for a position on the

Board after being nominated from the floor and duly seconded. In such an instance, the nominee or person nominating him/her shall be given the floor for up to five (5) minutes, within which time to address his/her qualifications for the Board position.

5. Disclosure: Prior to the Annual Meeting, the corporation shall provide the membership with the names of the prospective Board members, their backgrounds, and the attributes which led to their selection.

6. Election Inspectors. The Board of Directors will form an Election Inspectors Committee of three (3) or more members of the corporation, no later than July 1st of each year, for a two (2) year term. Their terms shall be structured so that at least one experienced Inspector shall preside at each Annual Meeting.

Before August 15th each year, the Election Inspectors shall:

- a) Obtain from the Nominating Committee the names and resumes of each candidate for election to the Board of Directors;
- b) Design and have printed ballots, proxies and instructions for their use;
- c) Make the proxy and sample ballot available to the membership, along with procedures for the proxy to be returned to the corporation;
- d) Devise the method for receiving and verifying the proxies, counting the ballots, and tabulating and reporting the results.

At the Annual Meeting, the Election Inspectors shall further be responsible for determining the number of members authorized to vote; certifying the existence of a quorum; hearing all challenges and questions arising in connection with the right to vote; tabulating and reporting the election results; certifying the validity of all votes and elections; and performing such other and further actions as may be required to conduct elections and/or votes with fairness to all members and candidates.

The Election Inspectors shall report the election results – but not the number of votes cast for any candidate - as soon as possible after voting.

On request of the Chairperson, or of any member entitled to vote at the meeting, the Inspectors shall make a report, in writing, of any challenge, questions or other matter determined by them and execute a certificate of any fact found by them. Any such report or certificate shall be prima facie evidence of the facts stated and of the vote as certified.

7. Ballots. Voting will be conducted by ballot, under the auspices and control of the Election Inspectors. Any member who will not be present at the meeting may participate by proxy. Members may vote for any number of the candidates for election, with a minimum of none and a maximum of the number of vacancies on the Board, but members may cast only one vote per candidate.

8. Election of Directors. At a valid membership meeting, with a quorum established, the Election Inspectors will use the total votes cast (including proxies) for each candidate to determine if the candidate is elected or not. To be elected, the candidate must have received a number of votes exceeding two-thirds (2/3) of the total number of members who voted. The number of votes cast for each candidate will be kept confidential.

9. Tied vote. If, at any time, there is a tie between candidates or among a number of candidates, which number is greater than the number of vacancies remaining, then in that event, the voters shall vote again, casting a vote(s) equal to the number of remaining vacancies. Only the candidates who are tied shall run in this subsequent election.

10. **Seats Not Filled:** In the event that not all nominees are elected, then in that event, any vacant seat shall remain vacant until the next membership meeting.

11. **Qualification Date.** The Board of Directors may fix a date as the record date for the purpose of determining the members entitled to vote at any meeting of the membership or adjournment thereof, or to express consent or dissent on any proposal without a meeting. The record date shall be not more than fifty (50) nor less than ten (10) days before the date of the meeting.

ARTICLE VIII - BOARD OF DIRECTORS

1. **General Management.** The general management of the corporation shall be vested by the membership in the Board of Directors. The Board of Directors shall have control of the property of the corporation and shall determine its policies with the advice of its various committees. It shall have the power to employ an Executive Director to supervise staffing and manage day-to-day operations, to authorize expenditures and take all necessary and proper steps to carry out the purposes of the corporation and to promote its best interest.

2. **Number.** The number of Directors of the corporation shall not be fewer than seven (7) or more than fifteen (15).

3. **Qualification.** Each member of the Board of Directors must be at least eighteen (18) years of age and a member of the corporation.

4. **Selection.** The membership shall elect all Directors of the corporation.

5. **Terms.** The term of office for a Board member shall be three (3) years, commencing with the annual membership meeting. No Director may serve more than two (2) full consecutive terms, after which a one (1) year sabbatical must be taken before eligibility for re-election. Terms shall be staggered such that no more than one-third (1/3) of the Board shall go off the Board at the same time.

6. **Board vacancies:** A vacancy shall exist when the number of Directors is less than the number authorized by the By-Laws. A vacancy may also arise upon the death, resignation, removal or lapse of membership of a Director. An interim vacancy on the Board may be filled by appointment by a majority vote of the Board of Directors. At the next annual membership meeting following the vacancy, the membership shall elect a successor Director to serve out the remainder of the unexpired term. The Board of Directors will elect a new President if that position becomes vacant.

7. **Attendance:** Directors are expected to be present at each monthly meeting or to notify the Executive Director, President or Secretary of the Board with the reason for absence. Two (2) unexcused absences in a year shall result in suspension from the Board.

8. **Suspension.** Any member of the Board may be suspended for cause by a 2/3 majority vote of the Board, provided there is a quorum for the meeting at which the action is taken. The period of suspension will last only until the next regularly scheduled Annual Meeting or Special Meeting of the membership. At a Board meeting where a vote is to be taken to suspend a member of the Board, the Director in question may attend and shall be given a reasonable opportunity to argue in his/her defense.

9. Removal. Any or all of the Directors may be removed, with or without cause, by a two-thirds (2/3) majority vote of the membership at the Annual Meeting or at a Special Meeting of the membership called for that purpose, provided there is a quorum for the meeting at which such action is taken.

10. Regular Meetings. The Board of Directors shall endeavor to convene regular meetings on a monthly basis. Regular meetings of the Board of Directors may be held, with or without notice, at such times as may be fixed from time to time by resolution of the Board of Directors. Board of Directors meetings are closed to the public.

11. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the President, Vice President, Secretary, Treasurer, Chairperson of a standing committee, or by any three (3) Directors. All members of the Board of Directors must be notified. Notice of special meetings shall be given personally or by telephone, electronic mail, facsimile, text message or first class mail, and shall state the purpose, time and place of the meeting. If notice is given personally or by telephone, it shall be given not less than three (3) days before the meeting; if given by e-mail, fax, text or first class mail, it shall be given not less than five (5) days before the meeting. Notice of the meeting need not be given to any Director who submits a waiver of notice before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him/her.

12. Adjournment. A majority of Directors present at a meeting of the Board of Directors, whether or not a quorum is present, may adjourn the meeting to another time or place. Notice of the adjournment shall be given to all Directors absent at the time of adjournment, and – unless such time and place are announced at the meeting – to all of the Directors.

13. Chairperson. At all meetings of the Board of Directors, the President, or in his/her absence, the Vice President, or in his/her absence, another Director chosen by the Board shall preside.

14. Secretary. At all meetings of the Board of Directors, the Secretary, or in his/her absence, another Director chosen by the Board shall serve as Secretary of the meeting.

15. Voting. Each member of the Board of Directors shall have one (1) vote. A majority vote of those present, provided there is a quorum, shall be sufficient on any proposition presented and acted upon at a meeting, except as otherwise specified herein.

16. Action by the Board. Except as otherwise provided by law or by these By-Laws, an “action” or “act” of the Board of Directors shall mean an action authorized at a meeting of the Board, by the requisite number of votes of the Directors present at the time of such vote, provided a quorum is present.

17. Written Consent. Any action required or permitted to be taken by the Board of Directors, or any committee thereof, may be taken without a meeting if a majority of the members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or the committee shall be filed with the minutes of the proceedings of the Board or committee.

18. Resignation: Any Director may resign at any time by giving written notice of such resignation to the Board of Directors, 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, President or Secretary, and acceptance of the resignation shall not be necessary to make it effective.

19. Quorum. At all meetings of the Board of Directors, one-half (½) of the members of the current Board shall be necessary and sufficient to constitute a quorum for the transaction of business and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by these by-laws. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any Board member(s).

Said Directors may be present at meetings physically or electronically, by teleconference, video conference, web-cam or any similar technology that will allow all Directors to interact freely and simultaneously in the discussion and deliberation upon which the Board's actions are based.

20. Powers. All the corporate powers, except such as are otherwise provided in these by-laws and in the laws of the State of New York, shall be and hereby are vested in and shall be exercised by the Board of Directors.

21. Directors Emeriti. Past Directors and other members who have served the corporation with distinction may be appointed by the Board as Directors Emeriti. The Board shall prepare a position description, including their ex-officio role in the corporation. While Directors Emeriti are welcome to attend the Board of Directors meetings, they will not be entitled to vote at Board meetings, not having been currently elected by the membership.

22. Advisory Council. The Advisory Council shall be comprised of twelve (12) members for the purpose of expanding the corporation's contact with the interests and opinions of the wider community and bringing additional background and experience from numerous fields. The Board of Directors will appoint one of its members to serve as liaison with the Advisory Council. Advisory Council members are welcome to attend the Board of Directors meetings, but will not be entitled to vote at Board meetings, not having been currently elected by the membership.

23. Representation. No member of the Board, the Directors Emeriti or the Advisory Council is authorized to represent any discussion or decision of the Board or to act as a personal representative of the Board unless authorized to do so.

ARTICLE IX - OFFICERS

1. Election of Officers. At the first Board meeting following the annual membership meeting and election of Directors, the newly constituted Board shall hold an organizational meeting, to elect its officers and take care of any other business necessitated by the changes in Directors and officers. A slate of proposed officers shall be determined in advance by the Executive Committee.

2. President. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He/she shall preside at all meetings of the members and of the Board of Directors. The President, the Secretary, or any other proper officer of the corporation authorized by the Board of Directors may sign deeds, mortgages, bonds, contracts or other instruments that the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other officer or agent of the corporation. In general, the President shall perform all duties as may be prescribed by the Board of Directors from time to time.

The President is a member, ex-officio, of every Board committee, with the exception of the

Nominating Committee.

3. Vice President. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers and be subject to all restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

4. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books designated for that purpose; see that all notices are duly given in accordance with the provisions of these By-Laws or as required by law, and be custodian of the corporate records of the corporation. The Secretary shall see that a register is kept of the post office address of each member and in general perform all duties incident to the office of Secretary as well as such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. In addition, the Secretary shall notify members of their election to office or their appointment to committees, and keep a record of the transactions of the corporation and of the Executive Committee.

5. Treasurer. The Treasurer shall be responsible for the supervision of an account of all monies received or expended by the corporation and shall keep the Board informed of all pertinent financial matters. The Treasurer shall provide a financial report at all regular meetings of the Board of Directors in a format prescribed by the Board; shall serve as the Board's liaison with the bookkeeper, the accountant, and the auditor, and shall serve as Chairperson of the Finance Committee. In general, the Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

6. Past President. In the interest of ensuring continuity of leadership on the Board, the outgoing President shall continue to serve on the Board in the position of Past President for the duration of his/her successor's first term as President. The Past President shall perform such duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

7. Executive Director. The Board of Directors may employ an Executive Director who shall have general charge, subject to the overall control and direction of the Board, oversight and direction of the affairs and business of the corporation, and sole responsibility for the employment and discharge of staff. The Executive Director shall be the principal administrative officer of the corporation, charged with the duties of effectuating the purposes of the corporation, carrying out the directives of the Board of Directors and the membership in performing any and all functions necessary and proper to ensure that the policies, objectives and aims of the corporation are effectively and efficiently carried out.

ARTICLE X - COMMITTEES

1. Authorization. The Board of Directors may appoint from their number, or from such other persons as the Board sees fit, one or more committees, and at any time may appoint additional members thereto. Such committees shall advise and aid the Directors of the corporation in all matters designated to said committee by the Board. Each such committee may, subject to the approval of the Board, prescribe rules and regulations for the call and conduct of its meetings and other procedural matters.

- 2. Standing Committees.** The President shall, subject to the approval of the Board of Directors, appoint the following Standing Committees: Executive Committee, Finance Committee, Human Resources Committee and Nominating Committee.
- 3. Executive Committee.** The Executive Committee shall be comprised of the elected officers of the corporation, the President, Vice President, Secretary and Treasurer, as well as the Executive Director and the Past President. Additional members of the Board of Directors may be appointed to serve at the discretion of the Board. The President shall serve as chair of the Executive Committee.
- The Executive Committee shall maintain surveillance of the business and affairs of the corporation, including corporate, health and safety compliance with all State, Federal and Town laws, and with generally accepted good business practice, and shall be empowered to transact only such business as allowed by law and as may be necessary between meetings of the Board of Directors, unless otherwise authorized by the Board.
- The Executive Committee cannot, without specific authorization by the Board of Directors, purchase real property, borrow money, amend the By-Laws, or hire or terminate the Executive Director.
- Meetings of this Committee may be called by the Chair (the President) or by any three (3) members of the committee.
- The committee shall submit a report of its deliberations and actions at the regularly scheduled or special meeting of the Board, immediately following the committee meeting.
- 4. Finance Committee.** The Finance Committee shall be comprised of at least three (3) members of the Board of Directors, and shall include at least one (1) financially knowledgeable member. The Treasurer shall serve on the committee, as its chair. The Committee shall develop a budget for approval by the Board of Directors; monitor the adequacy of internal controls and their consistent application; provide oversight and assistance to the Treasurer as deemed appropriate; recommend and monitor financial and investment policies; recommend and monitor insurance coverage; ensure that all necessary financial filings are accurate, timely and compliant; and review and present to the Board any and all audits of the corporation or any of its programs or contracts.
- It shall actively interact with the auditor as appropriate and respond in writing to all such audits and related letters, subject to approval by the Board of Directors, stating any and all remedies to deficiencies or improvements in fiscal policies or procedures cited or recommended. It shall review the engagement of the auditor at least every three (3) years.
- The committee shall also ensure proper and consistent implementation of the Board's policies regarding allegations of any legal, contractual, or policy violations of a financial nature.
- 5. Nominating / Board Development Committee.** The Executive Committee shall form a Nominating Committee, consisting of between three (3) and five (5) members, including at least one (1) Board member, one (1) non-Board business member and one (1) non-Board general member of the corporation. A majority of the Committee shall be comprised of non-Board members. The Committee, once formed, shall elect its own chairperson.
- 6. Human Resources Committee.** This responsibility of the Human Resources Committee shall include, but not be limited to, developing and reviewing human resource benefits, compensation and policies, and – if necessary – assisting the Executive Committee in evaluating the Executive Director.
- 7. Ad Hoc Committees.** Additional committees may be created and appointed by the President with the consent of the Board as needed from time to time for specific purposes.
- 8. Powers and Responsibilities.** Each committee and every member thereof shall serve at

the pleasure of the Board of Directors. Except as otherwise provided herein, no committee shall have the power to represent, bind or otherwise speak for the corporation without the express consent of the Board of Directors. Each committee shall keep minutes of proceedings and report regularly to the Board of Directors.

9. Qualifications. All committees of the corporation shall be comprised of members of the corporation. The Board of Directors may establish or waive qualifications for committee members at its discretion.

10. Meetings. Meetings of committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the President of the corporation or the chairperson of the committee or by a majority vote of the members of the committee.

11. Quorum and Manner of Acting. Unless otherwise provided by resolution of the Board of Directors, a majority of the members of a committee shall constitute a quorum for the transaction of business and the vote of a majority of the members of the committee shall be the act of the committee. The procedures and manner of acting of committees shall be subject at all times to the direction of the Board of Directors.

ARTICLE XI - FISCAL POLICY

1. Fiscal Year. The fiscal year of the corporation shall commence on January 1 and end on December 31.

2. Accounting. The accounting for the corporation shall be done on the accrual basis.

3. Checks, Drafts. All checks, drafts or orders 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 Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or Vice President of the corporation.

4. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

5. Disbursement of Funds. All monies received by the corporation from all sources shall be expended as directed, primarily through its General Operating Fund, to support the purposes of the corporation as set forth herein, subject to the limitations hereinafter outlined.

6. Savings Accounts. The Board may accumulate savings in an interest bearing account in reserve for future needs.

7. Endowment Funds. Effective as of December 1, 1996, the endowment funds of the corporation shall be known and operated as the Endowment Funds and shall be comprised of both "The Arts Guild Restricted Endowment Fund" and "The Arts Guild Unrestricted Endowment Fund", both of which shall be funded with donations, gifts, subscriptions, bequests and such allocations of net income from the General Operating Fund as shall be approved from time to time by the Board of

Directors, at its discretion, and upon its duly adopted Resolutions.

All donations, gifts, subscriptions, and bequests to the Arts Guild, and such resolved allocations of net operating income, shall be added to and become part of said Endowment Funds and held in perpetuity for the purposes of the corporation, unless specified for another purpose by the donor. In the absence of any restrictions by the donor with respect to any donation, gift, subscription or bequest, the assets in question shall be allocated to the Restricted Endowment Fund or the Unrestricted Endowment Fund as the Board of Directors may determine in each case.

8. Unrestricted. In accordance with a resolution approved by a majority of the Board of Directors, all or part of the income of the Unrestricted Endowment Fund may, at any time, be transferred and used for operating expenses. At least once per year, the Board of Directors shall consider and decide whether to transfer earnings or leave them to increase the principal of the fund. This principal is established to provide an income stream and serve as an asset similar to insurance. Invasion of the principal should only be considered in cases of unforeseen financial circumstances that can only be solved by a short-term infusion of cash. Such withdrawals of principal shall require a resolution approved by two-thirds (2/3) of the Board of Directors. The resolution proposing such invasion of principal must include a repayment schedule.

9. Restricted. In accordance with a resolution approved by a majority of the Board of Directors, all or part of the income of the Restricted Endowment Fund may, at any time, be transferred and used for operating expenses. At least once per year, the Board of Directors must consider and decide whether to transfer earnings or leave them to increase the principal of the fund. This principal is established to provide an income stream and as an asset to be expended only in an emergency of extreme nature threatening the existence of the corporation. Such withdrawals of principal shall require a resolution approved by two-third (2/3) of the Board of Directors and by two-thirds (2/3) of the members present at the annual meeting or special meeting of the members. The resolution proposing such invasion of principal must include a repayment schedule, unless it is part of a dissolution plan pursuant to Article XX.

10. Contracts. The Board of Directors, except as otherwise provided herein, may authorize any officer, director or agent to enter into any contract or execute and deliver any instrument in the name of the corporation, and such authority may be general or confined to a specific instance; and unless so authorized by the Board of Directors, no officer, agent, director or employee shall have any power or authority to bind the corporation, by any contract or engagement, or to pledge its credit, or to render it liable monetarily for any purpose or in any amount.

11. In-Kind Donations. It shall be the policy of the corporation to immediately convert in-kind donations, such as stock or other tangible assets, into cash as expeditiously as possible. This shall not apply to in-kind donations which were intended to be utilized by the corporation in its day-to-day operations or for a specific need, and which were not intended to be donations in lieu of cash.

ARTICLE XII - ANNUAL AUDIT

The accounts of the corporation shall be audited or reviewed each year by an independent Certified Public Accountant who is not an officer, board member, or employee of the corporation.

ARTICLE XIII - BOOKS & RECORDS

1. Membership Access. The corporation shall keep correct, complete and up-to-date books and records of accounts and shall also keep minutes of the proceedings of its members, Board of Directors and committees, and shall keep at its principal office a list or record containing the names and addresses of all members. Said records may be in written form or in any form capable of being converted to written for within a reasonable time.

Any person who shall have been a member of record of the corporation for at least six (6) months immediately prior to his/her demand, upon at least five (5) days; prior written notice, shall have the right to examine in person or by agent or attorney, during usual business hours, the minutes of the proceedings of its members or the Board of Directors, and list of the membership. Other requests will be considered on an individual basis by the Executive Committee.

Any such inspection may be denied to such member upon his refusal to furnish the corporation with an affidavit that such inspection is not desired and will not be used for any purpose which benefits any person, business or objective other than the corporation.

2. Board of Directors Access. The corporation shall further keep correct, complete and up-to-date books and records of all management policies, personnel, services, programs, fiscal accounts, and inventories. The minutes and proceedings of the Board and its committees shall be kept at its principal place of business. Access to personnel records must be approved by the Executive Director and will be restricted according to law. All other records of the corporation may be inspected by any member of the Board, or his/her agent or attorney, for any proper purpose during business hours with appropriate advance notice.

3. Membership / Mailing List. It is the strict policy of the corporation that its mailing list or membership list never be shared with or sold to any other business or entity for any purpose.

ARTICLE XIV - BUILDINGS

The corporation shall rent, build, and/or maintain such properties as shall be necessary for the carrying out of its purposes. The corporation shall have a building fund for the purpose of building and maintaining its property(ies).

ARTICLE XV - INDEMNIFICATION

1. Indemnification. The corporation will indemnify Directors, officers, employees and volunteers against any action brought against them as a result of services they have performed for the corporation.

2. Damages. Damages levied by a court having jurisdiction will be paid by the corporation. In the absence of a court order, the Board of Directors will determine whether, and to what extent, damages should be paid under these By-Laws. The corporation will pay these duly approved amounts.

3. Prohibited Indemnification. The corporation will not indemnify any person if a court, or the Board of Directors, in good faith, finds that the acts in question were performed in bad faith or were dishonest or the person garnered a profit or benefit to which he/she is not entitled.

4. Insurance. The corporation shall purchase and maintain insurance to cover costs it may

incur for indemnification as described herein.

5. Directors & Officers Insurance. The corporation shall purchase and maintain Directors and Officers' Insurance to protect its Directors and Officers against actions brought against them as a result of decisions or actions they may have taken in performing the duties of their office.

ARTICLE XVI - DUTY OF LOYALTY & CONFLICT OF INTEREST

1. Duty of Loyalty. No officer or director shall engage in, or condone, any conduct that is disloyal, disruptive, damaging or in competition with the corporation. No officer or director shall take any action, or establish any interest that compromises his/her ability to represent the corporation's best interest.

2. Conflict of Interest Defined. A conflict of interest exists when a matter to be acted upon by the Board of Directors confers a direct, substantial benefit to any Director of the Board, or business or agency from which such a Director derives income or has authority in governance.

3. Abstention. A member of the Board of Directors shall abstain from voting and/or influencing the vote on any matter before the Board that places him/her in a conflict of interest.

4. Disclosure. A member of the Board shall disclose the conflict or potential conflict as soon as he/she recognizes the conflict. If self-disclosure is not made, the Board Chair or any member of the Board of Directors can, prior to voting on a specific matter in which a potential conflict of interest exists, inquire whether any member of the Board desires to abstain from voting because of a conflict of interest. If no conflict of interest is disclosed but the Chair or any other member of the Board states the opinion that such a conflict exists and the challenged Board member refuses to abstain from the deliberations or voting as requested, the Chair shall immediately call for a vote of the Directors to determine whether the challenged Director is in a conflict of interest. If a majority of the Directors present vote to require the abstention of the challenged Director, the Director shall not be permitted to vote.

5. Limitations. The corporation is dedicated to soliciting the participation on the Board of individuals from a broad spectrum of the community - and recognizes that a business relationship will exist from time to time between the corporation and one or another of its Board members. While Board members (and their businesses) are not precluded from doing business with the corporation, the Board member in any such instance must be acutely aware of the potential for a conflict of interest to arise, and must strictly abide by the procedures described above.

ARTICLE XVII - EQUAL OPPORTUNITY

The corporation shall act, in all its affairs, without regard to race, creed, color, national origin, gender, age, marital status, religious belief or affiliation, socioeconomic status, sexual orientation, or physical, mental or medical disability unrelated to the ability to engage in activities involved with the job. The corporation shall make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in undue hardship. This policy will govern all relationships of the corporation, regarding members, artists, contractors, employees and the general public.

ARTICLE XVIII - HARASSMENT

The corporation shall maintain an environment free from unlawful harassment based on gender, race, color, religion, national origin, ancestry, age, marital status, sexual orientation, pregnancy, physical or mental disability, citizenship, veteran status, gender expression and/or identity, or any other class protected by federal, state or local laws.

ARTICLE XIX - DRUG AND ALCOHOL POLICY

- 1. Drugs.** The possession or use of any illegal drugs or of any non-prescribed prescription drugs or controlled substances, on the premises or at any off-site event, is strictly prohibited.
- 2. Alcohol.** The possession and use of alcohol shall be in strict accordance with the laws of the State of New York.

ARTICLE XX - DISSOLUTION

The corporation may be dissolved by a two-thirds (2/3) majority vote of the Board of Directors, ratified by a majority vote (including proxies) at a membership meeting, pursuant to a dissolution plan prepared by the Board. Upon dissolution of the corporation, any residual assets shall be donated to a non-profit organization with purposes aligned with those of the corporation.

ARTICLE XXI - AMENDMENT OF BY-LAWS

- 1. Conformance Oversight.** The Board of Directors will appoint one or more Directors to observe, on an on-going basis, the conformance of Board actions and procedures to the existing By-Laws, as well as the effectiveness of the By-Laws in a maturing organization and changing world. The Director(s) charged with this responsibility shall also serve as a liaison between members and the Board regarding protocol, procedure and proposals to be brought before the Board. When a need for compliance with the existing by-laws, or a need to change the existing by-laws, is reported, the Board shall take such corrective action as is necessary.
- 2. Amendment, Repeal, or Alteration.** The By-Laws may be amended, repealed or altered in whole or in part by the majority vote of the membership at the Annual Meeting or at any special meeting of the membership called for that purpose, or by a majority vote of the Board of Directors at any regular or special meeting of the Board called for that purpose – excepting that the Board shall have no authority to amend, repeal or alter any By-Law affecting the rights and responsibilities of the Membership as defined herein or as defined by statute.
Any By-Law so adopted, amended or repealed by the Board must be ratified by the membership at the next membership meeting.