

BYLAWS
OF
PROPRIETORS PORTSMOUTH ATHENAEUM
Approved 1/16/2022

ARTICLE I

Name and Location

Proprietors Portsmouth Athenaeum (the “Organization”) is a 501(c)(3) non-profit organization originally incorporated by the New Hampshire State Legislature as “The Proprietors of the Portsmouth Athenaeum” on June 21, 1817. The Organization is located at 9 Market Square, Portsmouth, New Hampshire 03801.

ARTICLE II

Powers and Purposes

Section 2.1. Purpose. The purposes of the Organization are to promote learning and advance useful knowledge among our constituents and the wider community by facilitating convivial interchange and intellectual discourse; maintaining our historic buildings and library; and collecting and preserving materials relevant to the history and culture of Portsmouth and the Piscataqua region.

Section 2.2. Powers. The Organization shall have all the powers necessary to carry out the foregoing purposes and all the powers of non-profit corporations organized under the laws of the State of New Hampshire.

Section 2.3. Limitations.

a) The Athenaeum shall be an equal opportunity organization, and it shall not discriminate on the basis of age, race, color, creed, gender, sexual orientation, disabilities or national origin (i) in the hiring of third party contractors; (ii) in the hiring, assignment, promotion, salary determination, or other conditions of staff employment; (iii) in the selection of proprietors or subscribers; or (iv) in the membership of its Board of Directors.

b) The Athenaeum shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity that would invalidate its status as an organization which is exempt from federal income taxation as an organization described in section 501©(3) of the Internal Revenue Code of 1986, as it may amended.

c) The Athenaeum is not organized for pecuniary profit and shall not have any capital stock. No part of its net earnings or of its principal shall endure to the benefit of any officer or director of the organization, or any other individual, partnership, or corporation, but reimbursement for expenditures or the payment of reasonable compensation for services rendered shall not be deemed to be a distribution of earnings or principal.

d) The Athenaeum shall not as an organization engage in political activities except with respect to legislation directly or indirectly affecting the Athenaeum. The Athenaeum shall not endorse any political candidate. This shall not prohibit political discussions or debates among members.

ARTICLE III

Proprietors and Subscribers

The Organization has three categories of constituents associated with the mission: Proprietors, Subscribers, and Friends. Proprietors are the only members, as defined by State of New Hampshire statute. The Organization has no capital stock, but issues a number of Proprietors' shares, defined below.

Section 3.1. Proprietors.

(a) Voting rights. Proprietor shares bestow the holder with membership rights, which include voting at the annual meeting or special meetings, as well as full library privileges and a limited right of transfer. The Proprietors shall constitute the voting body of the Organization. The number of Proprietor shares shall be approved by vote of the Organization at the Annual Meeting. The Board of Directors shall have the right and power, in accordance with these bylaws, to issue all available shares at such price as the Proprietors may approve. Payments for shares are non-refundable.

(b) Assessment. There shall be an annual assessment on every Proprietor share at a rate to be determined by vote of the Proprietors, any change to take effect upon passage. The annual assessment shall be due and payable on January 1 of each year. If the assessment is not paid by April 1, the Board of Directors, on report of the Treasurer, may preempt the shares, and the rights and privileges of a Proprietor of the Organization shall then cease.

(c) Transfer of Shares The shares are transferable only as follows:

1. During life, a Proprietor may transfer his or her share to the Proprietor's spouse or family member with the approval of the Board of Directors, which shall not be unreasonably withheld.

2. Upon death, the share may be transferred to the Proprietor's spouse or family member with the approval of the Board of Directors, which shall not be unreasonably withheld, and if the transfer is not approved, the Board of Directors shall pre-empt the share.

3. A transfer fee, fixed by the Board of Directors, shall be payable on any transfer.

Section 3.2. Subscribers and Friends.

(a) Subscribers, with the approval of the Board of Directors, may be admitted to the privileges of the rooms of the Organization upon payment of an annual fee which shall not be less than the annual assessment paid by Proprietors. Subscribers have no voting rights. Such annual fee shall be payable at the same time as annual assessments are payable by Proprietors and subject to preemption as set forth above with Proprietors. The offering of a share to a Subscriber is always subject to final confirmation by the Directors, and no Subscriber shall be entitled as a matter of right to demand an available share.

(b) Friends of the Organization are defined as those who financially support the Organization and its mission. They may incur incidental benefits as decided by the Board of Directors for these contributions, but shall not be considered members. Friends have no voting rights or library privileges beyond the use of the research library.

ARTICLE IV

ANNUAL MEETING AND ASSESSMENT

Section 4.1. Annual Meeting. There shall be an annual meeting of the Proprietors on a day in January of each year to be set by the Board of Directors. At this meeting, there shall be approved by majority vote of the Proprietors present, the following:

- (a) The minutes of the previous meeting.
- (b) The amount of the annual assessment for the next fiscal year.
- (c) The election of all Officers and Directors for that year shall be voted on.
- (d) Any other agenda item called to a vote by the presiding Board of Directors officer.

Section 4.2. Special Meetings. The President, by majority vote of the Officers and Directors, may call a special meeting of the Proprietors when necessary with fourteen (14) days notice.

Section 4.3. Motions. No motion, the passage of which would financially obligate the Organization, may be presented by a Proprietor to the membership at any meeting, unless that motion has been specifically placed upon the Agenda by the Board of Directors for that meeting, or unless notice of the proposed motion has been provided to the Board of Directors in writing at least fourteen (14) days prior to the annual meeting.

Section 4.4. Video Conferencing. When possible and manageable, the Athenaeum may have part or all of the Annual Meeting, or a Special Meeting through technology with video conferencing. If so held, any Proprietor may participate in a meeting of the Proprietors by video conference when all persons participating in the meeting can communicate with each other.

Participation by video conferencing technology shall be equivalent to presence in person at meeting for purposes of voting.

ARTICLE V

OFFICERS AND DIRECTORS

Section 5.1. Powers. The Officers and Directors shall supervise and conduct the business, property and affairs of the Organization, except as otherwise provided by law, the Articles of Incorporation of the Organization, or these Bylaws.

Section 5.2. Numbers. The Officers and Directors shall comprise the Board of Directors. There shall be a Board of Directors of the Organization of not fewer than fourteen (14) persons.

Section 5.3. Election. All members of the Board of Directors shall be Proprietors. Three (3) Directors shall be elected each year for a term of three (3) years. In the event any Director shall resign or be unable to serve prior to the expiration of that Director's term, the Board of Directors shall appoint a Proprietor to fill the unexpired term of that Director. A Director may be nominated for a second full term. No person who has served two (2) full consecutive terms of three (3) years as Director shall be eligible for re-election as a Director until the expiration of one (1) year from the completion of his or her term.

Section 5.4. Officers. The Officers of the Organization shall consist of a President, a Vice-President, a Secretary, and a Treasurer. The President and Vice-President shall be elected for a two-year term and the Secretary and Treasurer shall be elected for a one-year term. The retiring President shall serve a term of two (2) years on the Board of Directors as Immediate Past President. No person who has served a full term as President shall be eligible to be re-elected as President until the expiration of three (3) years from the end of that person's term as Immediate Past President. In the event of the death, resignation, or removal of the Treasurer or Secretary, the Board of Directors shall fill such vacancy by a majority vote for the remainder of the term in question.

(a) President. The President of the Board shall preside at meetings of the Board of Directors, and shall perform such other duties and have such other powers as the Board may from time to time prescribe.

(b) Vice President. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Board, and perform all other duties usually incident to the office, and such other duties as may be assigned by the Board of Directors.

(d) Treasurer. The Treasurer shall cause regular books of account to be kept, and shall render to the Board of Directors, from time to time as may be required, an account of the financial condition of the Organization, shall deliver an annual report at the annual meeting, and shall perform all other duties properly required of the Treasurer by the Board of Directors.

(e) The President or, in his or her absence the Vice-President, shall preside at all meetings of the Proprietors and of the Board of Directors. The President or the Vice-President with the Secretary shall execute all certificates of shares.

Section 5.5. Executive Committee. The Executive Committee shall be comprised of the President, as Chair, Vice-President, Treasurer and Secretary. The Executive Director shall serve as staff to the committee. The Executive Committee shall have the full power of the Board of Directors to act between meetings of the Board upon matters which, in the judgment of the committee, are of such nature as to require action prior to the next regular meeting of the Board of Directors but do not require a calling of a special meeting of the Board of Directors. Any action taken by the committee involving the exercise of the powers of the Board of Directors shall be reported promptly to the Board, and ratified at the next meeting of the Board. The Executive Committee shall be subject to the authority of the Board of Directors in all matters.

Section 5.6. Limitations of the Executive Committee. The Executive Committee shall not have the power to: Amend the Bylaws; appoint or remove Directors or the Executive Director; approve a dissolution or merger or sale of the Organization's assets; adopt a budget; or take any action that is contrary to, or a substantial departure from, the direction of the Board, or which represents major change in the affairs, business, or policy of the Organization.

Section 5.7. Chief Executive Officer. The Board of Directors shall retain a chief executive officer called the "Keeper and Executive Director." The Executive Director shall be responsible for the leadership of the Organization including the public face of the Organization, the management of the budget, hiring and firing staff, supervision of staff, volunteers, and the coordination of committees. The Board of Directors annually evaluates the performance of the Executive Director, and is responsible for appointing and removing the Executive Director.

Section 5.8. Removal of Directors and Officers. Any Director or Officer may at any time be removed from office for any cause deemed sufficient by the Board of Directors by the affirmative vote of two-thirds of the full number of Directors then in office acting at a meeting of the Board, the notice of which has specified the proposed removal. In addition, three (3) consecutive absences from regular meetings of the Board shall constitute an automatic resignation without further action of the Board of Directors, unless the President of the Board has excused the absences.

Section 5.9. Bonding of Officers. The Board of Directors may require any Officer, or other person entrusted with the handling of funds or valuable property of the Organization to give bond to the Organization, with sufficient surety or sureties, conditioned upon the faithful performance of such person's duties.

ARTICLE VI

Meetings of the Directors

Section 6.1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least six (6) times per year upon call of the President.

Section 6.2. Special Meetings. Special meetings of the Board of Directors may be called by the President, or by any five (5) Directors, on five (5) days' notice to be held at such time, day and place as shall be designated in the notice of the meeting.

Section 6.3. Electronic/Telephone Meetings. Any one (1) or more Directors may participate in a meeting of the Board of Directors by conference telephone or other electronic means by which all persons participating in the meeting can communicate with each other. Participation by telephone shall be equivalent to presence in person at a meeting for purposes of determining if a quorum is present.

Section 6.4. Record of Meetings. The Secretary or, in the absence of the Secretary, one of the Directors designated by the Board of Directors and participating in the meeting, shall keep a record of the meeting.

Section 6.5. Quorum; Vote Required. A majority of the members of the Board of Directors then in office shall constitute a quorum for the transaction of business at any meeting of Directors, and, unless otherwise provided for by law or these Bylaws, the act of the majority of the Directors present and voting at any meeting at which a quorum is present shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present at the meeting may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 6.6. Action by Unanimous Consent. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if each Director:

(a) Consents in writing, setting forth the action so taken, shall be submitted by all of the member of the Board of Directors and filed by the Secretary with the minutes of the meetings of the Board of Directors. The consents may be executed in any number of counterparts, all of which when taken together shall constitute a single original consent.

(b) Consents by electronic mail, setting forth the action so taken, are submitted by all of the members of the Board of Directors, received by the Organization and filed by the Secretary with the minutes of the meetings of the Board of Directors.

ARTICLE VII

Notice

Section 7.1. General. Whenever under the provisions of law or these bylaws, notice is required to be given to any person, such notice may be given via US mail or overnight delivery service with postage prepaid, and shall be deemed given when deposited in the mail or the delivery service addressed to such person at such person's address as it appears on the records of the Organization. Notice may also be given by electronic mail, facsimile, or hand delivery, and such notice will be deemed given when received.

Section 7.2. Waiver. Whenever any notice is required to be given by law or by these bylaws, a waiver of notice signed by the person or persons entitled to such notice, whether before or after the time stated in these bylaws, shall be deemed equivalent to the giving of such notice. Attendance at a meeting either in person of a Proprietor entitled to such notice shall constitute a waiver of notice of the meeting unless he or she attends solely for the purpose of objecting at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called or convened.

ARTICLE VIII

COMMITTEES

Section 8.1. The Board of Directors may designate committees as they deem necessary for the efficient conduct of the business of the Organization, which committees may consist either of members of the Board of Directors or such other persons as are designated in the resolution authorizing the creation of that committee. Such committees may be discontinued when no longer necessary. The Organization has five (5) standing committees. The number serving on each committee shall be at the discretion of the President with the concurrence of the Board. The President shall have the power, with the concurrence of the Board, to fill any vacancies which may occur during the year and prior to the next annual meeting.

Section 8.2. A charter shall be established for each standing committee and approved by the Board of Directors. The charter shall describe the purpose, membership, areas of responsibility, and reporting.

Section 8.3. Governance Committee. The purpose of the committee is to promote and ensure best practices for nonprofit organizational governance, to serve as the nominating committee to recommend members of the Board of Directors and Officers on a slate at the Annual Meeting for vote by the Proprietors. It also works to enhance the effectiveness of the Organization and its operations. The committee chair shall be appointed by the President. The committee shall consist of at least three (3) members and a maximum of six (6) members appointed by the President, who shall also serve on the committee. The members shall not serve more than five (5) consecutive years. The committee shall follow its charter.

Section 8.4. Membership Committee. The purpose of the committee is to recruit, vet, and recommend new Proprietors and Subscribers to the Organization, to educate new and current members about the resources and goals of the Organization, and to plan and coordinate social activities for the new and existing members. The committee shall administer the application process. Final approval of admission is voted by the Board of Directors. The committee chair shall be appointed by the President and shall be a member of the Board of Directors. The regular

members of the committee shall include the chairpersons of the working committees, Admissions and Social. The committee shall follow its charter.

Section 8.5. Finance Committee. This committee has oversight of the Organization's financial resources, budgeting, financial performance, financial risk, and financial strategy to ensure economic stability. This committee, through its working committee on investments, is responsible for oversight and review of the Organization's investments. The chairperson of the committee is appointed by the President and shall be a member of the Board of Directors. One (1) member of the committee shall be the chairperson of the Investment Working Committee and any other finance related working committee that may be formed. The committee shall follow its charter.

Section 8.6. Programs Committee. The purpose of the committee is to further the Organization's mission to promote learning and advance useful knowledge among the Proprietors and the wider community by conducting programs that edify, educate or instruct those attending and by providing news to the Organization membership and guided access to the public. The President shall appoint committee members and to the chairperson of the committee, who shall also be a member of the Board of Directors,, and such committee members shall also be members of at least one (1) but not more than two (2) of the committee subcommittees. The subcommittees shall include the Exhibits Subcommittee, the Performance Subcommittee, the Lecture Subcommittee, and the Communications and Publications Subcommittee. The committee shall follow its charter.

Section 8.7. Collections and Facilities Committee. The purpose of the committee is to coordinate and oversee planning and resource allocation for the development, management, long-term preservation, and safe and efficient use of the Organization's diverse and important print, manuscript, photographic, artistic, and artifact collections, including, especially our most important asset, the buildings. The committee shall meet at least twice annually to solicit input from all of the working committees and collections staff, and to assess the long-term needs and concerns for the proper preservation and stewardship of the collection. The chairperson shall be appointed by the President and shall be a member of the Board of Directors. The other members of the committee shall include the chairs of the Arts and Artifacts, Building, Library and Special Collections committees and the Technology Advisory committee, and other working or ad hoc committees as deemed necessary by the Board of Directors. The committee shall follow its charter.

ARTICLE IX

Facilities

The Board of Directors shall have the right to regulate the use of all facilities. Only Proprietors, Subscribers, and their spouses shall have free use of the facilities within the regulations established by the Board. Management of facilities use shall be the responsibility of the Executive Director.

ARTICLE X

Amendment of Bylaws

These bylaws may be amended by a two-thirds vote of the Proprietors present at any annual or special meeting when notice of such proposed amendment is given in the call for either meeting. Fourteen (14) days written notice is required for any meeting relating to bylaw amendments. In determining whether sufficient notice has been given, the date of the postmark on the envelope containing the notice shall be controlling. Bylaw amendments may be presented to the Proprietors of the Organization by either the Board of Directors or by petition of Proprietors. The Board of Directors may submit bylaw amendments at either the annual meeting or a special meeting called by the Board. A petition submitted by Proprietors to amend these bylaws may be presented only at the annual meeting. If a petition to amend these bylaws is tendered to the President by at least fifteen (15) Proprietors on or before October 10th of any year, it shall be submitted to the membership at the next annual meeting.

ARTICLE XI

Indemnification of Officers

To the extent legally permissible, the Organization shall indemnify each of its Officers and Directors against all liabilities including expenses imposed upon, or reasonably incurred by them, in connection with any action, suit, or other proceeding in which they may be involved or with which they may be threatened, while in office or thereafter, by reason of their acts or omissions as such Officer or Director, unless in such proceedings they shall be finally adjudged liable by reason of willful dereliction in the performance of their duties as such Officer or Director; provided, however, that such indemnification shall not cover liabilities in connection with any matter which shall be disposed of pursuant to a consent decree unless such compromise shall be approved as in the best interest of the Organization, after notice that it involves such indemnification, by a vote of the Board of Directors. Such indemnification shall not extend to matters which do not come within the scope of official duties of such Officers and Directors.

ARTICLE XII

Conflict of Interest

Section 12.1. Policy Governing Conflict of Interest and Pecuniary Benefits Transactions. The Organization shall adopt, implement, enforce and regularly review Policies and Procedures governing conflicts of interest and pecuniary benefits transactions. The Policy and Procedures shall, at a minimum, meet the requirements of New Hampshire law as then in effect, and comply with Guidelines established by the Office of the NH Attorney General, Charitable Trust Unit. Each Director, Officer, or committee member shall have an affirmative duty to disclose to the Organization each transaction with the Organization that would be a Pecuniary Benefit Transaction (as defined by RSA 7:19-a) as to that Officer, Director, or committee member, and

shall be prohibited from participating in the discussion or voting on the transaction. The Organization shall enter into Pecuniary Benefit Transactions only in accordance with the applicable provisions of RSA 7:19-a, as they may exist from time to time.

Section 12.2. Policy on Pecuniary Benefits Transactions. Transactions that provide a direct or indirect pecuniary benefit to any Officer, Director, or Trustee and the Organization or any member of his or her immediate family; his or her employer; or, any person or organization of which he or she is a Proprietor, Partner, Officer, Director, or Trustee, are prohibited unless they (1) satisfy RSA 7:19-a; (2) are in the Organization's best interest; and (3) all of the following conditions are met:

(a) The transaction is made in the ordinary course of the Organization's business or operation and the transaction is fair to the Organization.

(b) Any transaction with any one Officer, Director, or Trustee that exceeds \$500.00 must be approved by the greater of a quorum of the Board of Directors, or 2/3 of the members of the Board of Directors who have not had a pecuniary benefit transaction with the Organization during the fiscal year.

(c) The Organization shall list in its records each transaction with any one Officer, Director, or Trustee which exceeds \$500.00 in any one (1) fiscal year and report them to the NH Director of Charitable Trusts annually as part of its annual report required under RSA 7:28, including the names of those benefiting from each transaction and the amount of the benefit. This list shall be available for inspection by Officers, Directors, Trustees and all contributors.

(d) The Organization shall publish a notice of any transactions with any one Officer, Director, or Trustee which alone or in the aggregate exceeds \$5,000.00 in any one fiscal year, in the newspaper of general circulation in Concord, NH and give a copy of the notice to the NH Director of Charitable Trusts before the transaction takes place. The name of the Officer, Director, or Trustee, the amount of the transaction and any other information required by RSA 7:19-a II (d) must be stated in the notice.

(e) The Organization shall receive the prior approval and requisite finding of the Probate Court as to any transactions involving the sale, lease for a term of greater than five (5) years, purchase or conveyance of any interest in real estate to or from any Officer, Director, or Trustee; and,

(f) The transaction does not involve a loan of money or property to an Officer, Director, or Trustee.

ARTICLE XIII

Dissolution

Section 13.1. The Organization may be dissolved upon the affirmative vote of 2/3 of the Proprietors taken at a meeting called for that purpose, or upon the written consent of 2/3 of the Proprietors in good standing

Section 13.2. Upon the dissolution of the Organization, assets shall be distributed for one (1) or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Service Code or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.