

**BYLAWS
of Main Street Bath
A Maine nonprofit corporation**

ARTICLE 1

Name and Principal Office of Corporation

Section 1. The name of this corporation shall be Main Street Bath (hereinafter referred to as "the Program"). The principal offices shall be determined from time to time by the Board of Directors of the Program.

ARTICLE 2

Purpose

The corporation is organized to operate exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (or corresponding provision of any future United States Internal Revenue law) and more specifically:

- (a) to promote the historic preservation, protection and use of Bath's traditional downtown area, including that area's commercial, civic and religious enterprises and residences;
- (b) to take remedial actions to eliminate the physical, economic and social deterioration of Bath's traditional downtown area and thereby promote Bath's historic preservation, contribute to its community betterment while lessening the burdens of Bath's government;
- (c) to disseminate information of and promote interest in the preservation, history, culture, architecture and public use of Bath's traditional downtown area;
- (d) to hold meetings, seminars and other activities for the instruction of members and the public in those activities such as building rehabilitation and design, economic restructuring and planning management that foster the preservation of Bath's traditional downtown area, and enhance the understanding and appreciation of its history, culture and architecture;
- (e) to aid, work with and participate in the activities of other organizations, individuals and public and private entities located within and outside Bath engaged in similar purposes;
- (f) to solicit and receive and administer funds for educational purposes and to that end to take and hold by bequest, devise, gift, grant, purchase, lease or otherwise, either absolutely or jointly with another person or corporation, any property, real, personal, tangible or intangible, or any undivided interest therein, without limitation as to amount of value; to sell, convey or otherwise dispose of any such property and to invest, reinvest or deal with the principal or the income thereof in such manner as, in the judgment of the corporation's directors, will best promote the purposes of the corporation without limitation, except such limitation, if any, as may be contained in the instrument under which such property is received, the bylaws of the corporation, or any laws applicable thereto.

The corporation shall not carry on propaganda or otherwise attempt to influence legislation except as an insubstantial part of its activities. The corporation shall not engage in any transaction or permit any act or omission which shall operate to deprive it of its tax-exempt status under Section 501(c)(3) of the Code. The corporation shall not in any manner or to any extent participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of any candidate for public

office; nor shall it engage in any "prohibited transaction" as defined in Section 503 (b) of the Internal Revenue Code of 1986. In the event of dissolution or liquidation of the corporation, any assets then remaining shall be distributed among such other organizations as shall qualify at the time as exempt organizations described in Code Section 501(c)(3) as the Board of Directors shall determine, such assets to be used for purposes consistent with those described in the immediately preceding subparagraphs lettered (a) through (e).

No part of the net earnings of the corporation shall inure to the benefit of any officer or director of the corporation or other private individual except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered herein. None of the property of the corporation shall be distributed directly or indirectly to any officer or director of the corporation except in fulfillment of its charitable and educational purposes enumerated herein.

The corporation also has such powers as are now or may hereafter be granted under the laws of Maine that are in furtherance of the corporation's exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding section of any future federal tax codes.

ARTICLE 3

Program Area

Section 1. The Program Area shall be that geographic area indicated on the attached map [Exhibit A].

ARTICLE 4

Board of Directors

Section 1. The Program shall be governed by a Board of thirteen (13) Directors, nine (9) of whom are elected by the existing Board of Directors and four (4) of whom are appointed by the Bath City Council. The Board of Directors at its organizational meeting shall ratify and confirm the initial Board of Directors named by the Incorporator. The initial Board of Directors shall be divided into three classes in respect of term of office, each class containing one-third of the total number of elected directors. The directors of the first class shall serve until the annual meeting of the Board of Directors held in the fiscal year following their election, the members of the second class shall serve until the annual meeting of the Board of Directors in the second fiscal year following their election, and the members of the third class shall serve until the annual meeting of the Board of Directors in the third fiscal year following their election. Thereafter, at each annual meeting of the Board of Directors, one class of directors shall be elected to serve a three-year term.

The appointed Directors shall serve at the pleasure of the City Council for annual terms. They may be replaced during their terms by the Council in accordance with the Council's policy on appointment to boards and committees.

Notwithstanding the foregoing, the number of directors appointed by the City Council shall be directly proportional to the amount of funding provided by the Council. If the City Council eliminates or reduces the amount of funding provided, the number of directors appointed by City Council shall be reduced or eliminated accordingly. Upon termination of the appointed Directors' terms for reason of reduction or elimination of funding provided by the City Council, the Board of Directors shall fill vacancies created by such termination at the next annual meeting.

Nominations to the Board shall be made by any member of the Board of Directors and shall be set forth in the notice of the annual meeting.

Each Director shall hold office for the term for which he or she is elected and until his or her successor shall have been elected and qualified. Directors may be elected for two consecutive terms, except that the Immediate Past President's term as a member of the Board of Directors shall commence at the normal termination date of his or her term as President and shall continue to the next annual meeting thereafter. A Director elected to fill an unexpired term may be elected for two full consecutive terms thereafter. After a one-year absence from the Board, any former Director may again be nominated to serve as a Director.

Section 2. Any vacancy occurring in the Board of Directors (other than a vacancy resulting from the normal expiration of a term of office) may be filled by the affirmative vote of a majority of the current members of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. Any Director may resign by submitting written notice of resignation to the Secretary. Any Director may be removed from office at any time with or without cause by the affirmative vote of two-thirds of the Directors in office. Any member of the Board of Directors who is absent from three consecutive regular meetings without just cause for such absence may be removed as a member of the Board of Directors.

Section 3. The date in October for the annual meeting of the Board of Directors shall be set by the board of directors.

Section 4. The Board of Directors of the Program may hold regular and special meetings. Regular meetings shall be held not less than six (6) times each year. Special meetings of the Board may be called by the President or by the Executive Committee or by four or more Directors. Written notice of the time, place and agenda for both regular and special meetings shall be given to each Director either by mail or facsimile at least five (5) days before the meetings.

Section 5. At all meetings of the Board, a majority of the voting members thereof shall constitute a quorum for the transaction of business. If a quorum shall not be present at any meeting of the Board, the Directors present may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present.

Section 6. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if all members of the Board consent thereto in writing, setting forth the action so taken, and the writing or writings are filed with the minutes of the proceedings. Such consent shall have the same force and effect as a unanimous vote of the Board.

Section 7. All new members of the Board of Directors shall participate in an orientation program familiarizing them with the goals and objectives of the Program and with their responsibilities.

ARTICLE 5

Committees

Section 1. The Program shall have the following standing committees: Promotions, Design, Economic Restructuring, Nominations, and Organization. The Promotions, Design, Economic Restructuring, Nominations, and Organization committees shall consist of no fewer than five (5) members, and shall have as chair a member of the Board of Directors. The Nominations Committee shall consist of five (5) members, at least two (2) of whom are not members of the Board of Directors. The Secretary of the

Program chairs the Nominations Committee. The length of the term of any committee member is one year commencing at the time of the annual meeting.

Section 2. The Board of Directors, by resolution adopted by a majority of Directors in office, may designate or appoint one or more committees, in addition to the above-named standing committees, including without limitation, an Executive Committee, each of which shall consist of one or more Directors, and which shall, to the extent provided in said resolution, have and exercise the authority of the Board of Directors in the management of the Program. Other committees not having and exercising the authority of the Board of Directors in the management of the Program may be designated and appointed by a resolution adopted by a majority of the Directors appointed at a meeting at which a quorum is present. The designation and appointment of any such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon them by law.

ARTICLE 6

Officers

Section 1. The officers of the Program shall be elected annually by the directors and shall consist of a President, Vice President, a Secretary, a Treasurer and such other officers and assistant officers as may be deemed necessary.

Section 2. Officers shall be elected at the Annual Meeting of the Board of Directors. The person then serving as President shall automatically become Immediate Past President upon election of a new President. All officers shall be elected by a majority of the directors present in person. Officers may be elected for two consecutive terms.

Section 3. Except as hereinafter provided, the officers of the Program shall each have such powers and duties as generally pertain to their respective offices, as well as those that from time to time may be conferred by the Board of Directors.

- A. **President.** The President acts as the Chairperson of the Board of Directors and shall act as the chief executive in all work and policies of the Program. The President shall preside at all meetings of the Directors at which he or she is present, report at the annual meeting of the Directors on the status of the Program, cause to be called regular and special meetings of the Directors in accordance with the requirements of statute and of these Bylaws, sign and execute all contracts in the name of the Program, and, with the Treasurer and Downtown Coordinator, may sign all notes, drafts, or other orders for the payment of money, enforce these Bylaws, perform all the duties incident to his or her office which are required by law, and, generally, shall manage the affairs of the Program consistent with policies developed by the Board of Directors.
- B. **Vice President.** The Vice President shall have such duties and responsibilities as the President or Board of Directors may from time to time prescribe.
- C. **Secretary.** The Secretary shall record and maintain in good order Minutes of all meetings and all records and correspondence of the Program. The Secretary shall also have such other duties as may be assigned by the Board of Directors.
- D. **Treasurer.** The Treasurer shall maintain in good order all financial records of the Program. The Treasurer shall also have such other duties as may be assigned by the Board of Directors.

- E. **Immediate Past President.** The Immediate Past President shall serve as an ex officio member of the Board of Directors and shall act in an advisory capacity to the President and Board of Directors.
- F. **Temporary Officers.** In case of the absence or disability of any officer of the Program and of any person authorized to act in his or her place during such periods of absence or disability, the President may from time to time delegate the powers and duties of such officer to any other officer or any other member of the Board of Directors

Section 4.

- A. **Removal.** Any Officer may be removed by a three-fourths majority vote of the Board of Directors with or without cause whenever, in its judgement, the best interests of the Program will be served thereby.
- B. **Compensation.** Compensation may be paid to an Officer of the Program only upon the Directors' approval of a specific resolution with respect to the compensation proposed.

ARTICLE 7

Downtown Coordinator

Section 1. The downtown coordinator of the Program shall manage the daily operations of the Program. The downtown coordinator shall be responsible for coordinating the implementation of the Program's policies and projects and such other duties as the Board of Directors may require. The downtown coordinator shall receive for his or her services such compensation as may be determined by the Board of Directors. Unless expressly limited by the Board of Directors, the Downtown Coordinator shall have all legal authority to bind the Corporation contractually.

ARTICLE 8

Board of Advisors

Section 1. The Program may be advised by a Board of up to 15 Advisors elected by the Board of Directors. The term of office for each Advisor shall be three (3) years, except that the term of office for the members of the first Board of Advisors shall be as follows:

- a) One-third shall be elected for one year.
- b) One-third shall be elected for two years.
- c) One-third shall be elected for three years.

Thereafter, one-third of the Advisors shall be elected at each annual meeting of the members. Nominations to the Board of Advisors shall be made by the Nominations Committee appointed by the Board of Directors and shall be set forth in the notice of the annual meeting. Each Advisor shall hold office for the term for which he or she is elected and until his or her successor shall have been elected and qualified. Advisors in office may be reelected for consecutive terms.

Section 2. Any vacancy occurring in the Board of Advisors (other than a vacancy resulting from the normal expiration of a term of office) may be filled by the affirmative vote of a majority of the current members of the Board of Directors. An Advisor elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. Any Advisor may resign by submitting written notice of resignation to the Secretary of the Program. Any Advisor may be removed from office at any time with or without cause by affirmative vote of two-thirds of the Advisors in office.

Section 3. At its first meeting following the annual meeting, the Board of Advisors shall elect a Chairperson who shall preside at all meetings of the Board of Advisors and who shall have such other powers and duties as may be conferred by the Board of Directors. The Chairperson may at his or her discretion or at the suggestion of the Advisors arrange for another Advisor to preside at certain meetings.

Section 4. Members of the Board of Directors and the Downtown Coordinator of the Program shall be entitled to attend all meetings of the Board of Advisors.

Section 5. The Board of Advisors of the Program may hold special meetings. Special meetings of the Board of Advisors may be called by the Chairperson of the Board of Advisors, by the President of the Program or by five or more Advisors. Written notice of the time, place and agenda for both regular and special meetings shall be given to each Advisor either by personal delivery or by mail, phone or facsimile at least five (5) days before the meeting.

Section 6. At all meetings of the Board of Advisors, one-third of the voting members thereof shall constitute a quorum for the transaction of business. If a quorum shall not be present at any meeting of the Board, the Advisors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 7. The Board of Advisors shall assist the Board of Directors in the development of an annual work plan for the Program, providing advice to the Board of Directors and the Downtown Coordinator, and shall provide ongoing advice and counsel throughout the year to the Board of Directors and the Downtown Coordinator as requested by the Board of Directors and the Downtown Coordinator.

Section 8. All new members of the Board of Advisors shall participate in an orientation program familiarizing them with the goals and objectives of the Program and with their responsibilities.

ARTICLE 9

Finances

Section 1. Except as the Board of Directors may generally or in particular cases authorize the execution thereof in some other manner, all checks, drafts and other instruments for the payment of money and all instruments of transfer of securities shall be signed in the name and on behalf of the Program by the Downtown Coordinator and Treasurer.

Section 2. All funds of the Program shall be deposited from time to time to the credit of the Program in such banks, trust companies or other depositories as the Board of Directors may select.

Section 3. The Board of Directors may accept on behalf of the Program any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Program.

Section 4. Within 30 days of the election of the Board of Directors each year, the Board shall approve a Program budget for the fiscal year. The approved budget may be reviewed and revised periodically as deemed necessary by the Board.

ARTICLE 10

General Provisions

Section 1. The fiscal year of the Program shall begin on the first day of January and end on the last day of December in each year.

Section 2. Not later than three months after the close of each fiscal year, the Program shall prepare:

- A. A balance sheet showing in reasonable detail the financial condition of the Program at the close of the fiscal year
- B. A statement of the source and application of funds showing the results of the operation of the Program during the fiscal year.

ARTICLE 11

Amendments

Section 1. The Board of Directors shall have the power to alter, amend or repeal the Bylaws or adopt new Bylaws by a two-thirds vote of the Directors present at any duly called meeting of the Board, provided that no such action shall be taken if it would in any way adversely affect the Program's qualifications under Section 501(c)(3) of the Internal Revenue Code of 1986 or corresponding sections of any prior or future law.