

BY-LAWS  
OF  
SOUTHERN MADISON HERITAGE TRUST, INC.

ARTICLE I  
OFFICES

1.01 Registered Office. The location of the office of Southern Madison Heritage Trust, Inc. (“Corporation”) shall be in the County of Madison, State of New York.

ARTICLE II  
PURPOSES; POWERS

2.01 Purposes. The Corporation is formed for scientific and educational purposes; to conserve, for public benefit, the natural resources in and around the townships of Brookfield, Eaton, Georgetown, Hamilton, Lebanon and Madison in Madison County, New York. These resources shall include land, water, unique habitats, scenic landscapes, recreational sites and historic features. The Corporation will conserve such resources through land stewardship, public education and support of practices and policies that advance natural resource conservation.

2.02 Powers. To carry out these purposes, the Corporation is authorized to expend, contribute, disburse and otherwise handle and dispose of funds for such purposes; either directly or by contributing to other organizations formed for the same or similar purposes; to investigate, formulate and publish press releases and policy statements regarding pertinent environmental issues of concern to the membership and the purposes of the Corporation; to assist in harmonizing and making more efficient the work of other educational and scientific organizations in conserving, maintaining, protecting and restoring the natural resources in Central New York by cooperating with and assisting such organizations; to arrange, hold and conduct entertainment, contests, benefits and social functions, either independently or in association with other organizations solely for the purpose of raising funds to pay for the cost of carrying out the purposes and objectives of the Corporation, and to receive contributions also for such purposes; and to do all other things necessary or proper in connection with or incidental to the foregoing purposes.

ARTICLE III

NON-MEMBER CORPORATION

3.01 No Members. The Corporation shall have no members entitled to vote on any matter. Any provision of the Not-for-Profit Corporation Law or any other provision of law requiring notice to, the presence of, or the vote, consent or other action by members of the Corporation in connection with such matter shall be satisfied by notice to, the presence of, or the vote, consent, or other action by the Board of Directors Any many which is given to us will be considered “donations” with no conditions attached.

ARTICLE IV  
DIRECTORS

4.01 Powers. The property, affairs, and activities of the Corporation shall be managed and controlled and its powers exercised by the Board of Directors.

4.02 Number of Directors. The Board of Directors shall consist of not less than seven nor more than fifteen Directors, as shall be determined from time to time by resolution of the Board of Directors. 'The number of Directors may be increased (to no more than fifteen) or decreased (to no fewer than seven) at any time and from time to time, except that in no case may any decrease in the number of Directors shorten the term of any incumbent Director.

4.03 Term. Directors shall be elected by the Board of Directors. The term for each Director shall be two years, except for Directors appointed by the Board of Directors to fill a vacancy, in which case the term of the appointed Director shall run until the next election by the Board of Directors. Directors can serve as many consecutive terms as they wish.

4.04 Nominating and Electing Directors. Directors shall be elected to hold office for a term of two years and until his or her successor has been elected. At the meeting of the Board of Directors at which a new Board is to be elected, or at such prior meeting as the Board may designate for acceptance of nominations, each member of the Board present at such meeting shall be entitled to nominate candidates for Directors up to the number of Directors to be elected, Neither nominations nor voting shall be by ballot unless a motion requesting a ballot is made and approved by a majority of those present. The candidates receiving the highest number of votes up to the number of Directors to be elected shall be elected. Announcement at any duly convened Board of Directors meeting that nominations for candidates, or election of Directors, or both nominations and elections, shall be had at the next Board of Directors' meeting shall constitute sufficient notice of such action, provided notice is given to those Directors not present at such duly convened meeting as provided herein, and further provided that if the time and place of the Directors' meeting or meetings at which candidates are to be nominated and Directors are to be elected is designated by standing resolution, no notice other than such resolution shall be required.

4.05 Meetings. The Board of Directors may hold meetings both regular and special at such time and at such place as shall be designated by the President or, in the case of special meetings, by the President or Secretary or by written request filed with the Secretary by one-third or more of the Directors. The Board shall meet a minimum of six times per year, including the meeting held to elect officers and/or Directors of the Corporation. The Secretary shall give reasonable notice to each Director of the time, place and date of each meeting. Unless otherwise stipulated, meetings shall be conducted according to Robert's Rules of Order, as revised. Except for executive sessions, all meetings of the Board shall be open to the members of the public to observe.

4.06 Executive Session. Board meetings may be called into executive session to discuss personnel and other confidential matters, such as Director or officer misconduct, pending or current litigation, real estate transactions, and labor negotiations, but all decisions must be made in open session unless two-thirds of those Directors present vote to act in executive session. Only Directors and others by specific invitation of the Board may attend executive sessions.

4.07 Quorum, Action and Voting. At all meetings of the Board of Directors, a majority (i.e., more than 50 percent) of the Directors in office shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. The Board shall not make a decision without the presence of a quorum. Each Director shall be entitled to one vote. No Director shall have the right to cumulate his/her votes for any purpose. If a quorum is not present at any meeting of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than by announcement at the meeting, until a quorum is present. Upon authorization by the President or his/her designee and in a format determined by the President or his/her designee, votes on any matter may be taken by written ballot, including absentee ballots received by mail, fax or e-mail pursuant to the Not-for-Profit Corporation Law of the State of New York. Proxy votes shall not be permitted.

4.08 Resignation. Any Director may resign from office at any time by delivering a resignation in writing to the President. Such resignation shall take effect at the time specified therein, and unless otherwise specified, no acceptance of such resignation shall be necessary to make it valid,

4.09 Removal. Any officer or Director may be removed by affirmative vote of a two-thirds majority of the remaining Directors for failure to perform duties, or other causes deemed sufficient by the Board of Directors. Written notice of any proposal for removal must be provided to the person proposed to be removed at least 20 days prior to the meeting at which such action is to be taken.

4.10 Vacancies. Vacancies caused by the resignation, death or removal of a Director, the failure to elect a qualified person, or newly created Directorships resulting from an increase in the authorized number of Directors, shall be appointed by a majority of the remaining Directors on the Board, though less than a quorum, and each person so elected shall be a Director until the next election by the Board of Directors.

4.11 Compensation. Directors may receive such reasonable compensation for their services and expenses in performing duties for the organization as the Board of Directors shall fix.

4.12 Informal Action. Any action outside a regularly scheduled Board meeting may be taken at a meeting of the Directors or the members of any committee of the Board without a Board meeting, followed by Board approval and filed with the Secretary of the Board.

4.13 Teleconference. Any one or more Directors may participate in a meeting of the Board or vote on Board action by means of a conference, telephone, e-mail or similar communication equipment.

## COMMITTEES; STAFF AND ADVISORS

### ARTICLE V

5.01 Executive Committee. There shall be an Executive Committee whose membership shall consist of the President, the Vice Presidents, the Secretary, and the Treasurer. In addition, the Executive Director of the Corporation shall serve as an ex-officio, non-voting member of the Executive Committee

The Executive Committee shall exercise, when the Board of Directors is not in session, all the powers of the Board in the management of the regular business and affairs of the Corporation, but excluding any powers that have been expressly reserved by these By-Laws or resolution of the Board. The Executive Committee may act in opposition to a Board decision only in light of substantially changed information or circumstances.

The Secretary shall give reasonable notice to each member of the Executive Committee of the time, date, and place of each meeting. Any Director may attend an Executive Committee meeting and may, at the discretion of the presiding officer, participate in the discussion, but may not vote.

5.02 Nominating Committee. Prior to the election of both officers and Directors, the President shall appoint a committee from among the Directors to nominate qualified candidates with a diversity of skills and backgrounds for said positions. Nominations for officers shall be presented at the Board meeting prior to the meeting during which their election will take place.

5.03 Other Committees. The Board of Directors may, by resolution adopted by a majority of Directors in office, establish one or more other committees as it deems necessary to implement the purposes of the organization. Each committee shall consist of a chair and one or more Directors appointed by the President with the approval of the Board, together with any non-Board member who may be appointed from time to time by the committee chair or the President. The President may, on written notice to a committee member, end the term of said committee member for failure to participate in committee work or for other good cause. . All committee members may vote on committee business. Public members may attend any Board meeting, but Committee and Executive Committee meetings are not open. At its discretion, the Board may dissolve any committee not explicitly provided for in these By-laws.

Any committee, to the extent provided by resolution of the Board of Directors or in these By-laws, shall have and exercise the authority of the Board of Directors, except that no committee shall have any power or authority as to the following:

- (a) The filling of vacancies in the Board of Directors;
- (b) The adoption, amendment or repeal of the By-Laws;
- (c) The amendment or repeal of any resolution of the Board;
- (d) Action on matters committed by the By-Laws or resolution of the Board of Directors to another committee of the Board; or
- (e) The purchase, mortgage, leasing or disposal of real estate, or any other legal action.

5.04 Committee Members. Except as otherwise provided in these By-Laws or in the resolution creating the committee, all committee members and the chairman of each committee shall be designated by the President with the approval of the Board. The chairman of each committee shall be a Director. The President may, with the approval of the Board, designate one or more alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee.

5.05 Terms. Members of committees shall serve for one year terms or for such terms as are set forth herein or in the resolution establishing the committee. Vacancies in any committee shall be filled by the President and reported to the Board at its next regular meeting.

5.06 Minutes. Minutes of the meetings of the committees shall be recorded and sent to the Board of Directors if required by resolution of the Board.

5.07 Staff; Advisors.

(a) Staff. The Board may appoint an Executive Director for the Corporation and shall monitor, and when necessary, dismiss the Executive Director. The Executive Committee shall serve as a nominating committee to present to the Board at least two, if possible, qualified candidates for Executive Director, The Board shall not, however, be constrained in its selection of the Executive Director by the actions of the Executive Committee. The Executive Director shall have such duties and responsibilities as may be assigned by the Board of Directors. The Executive Director shall be responsible for the appointment, monitoring and dismissal of all other staff upon approval of such positions by the Board and in accordance with Board procedures.

(b) Advisors. The Board may appoint advisors to the Corporation who may attend Board and committee meetings, but who will not be voting members unless they are also appointed members of the committee. Advisors will serve terms of one year and may be reappointed any number of times.

## ARTICLE VI

### OFFICERS AND AGENTS

6.01 The officers of the Corporation shall be chosen by the Board of Directors and shall be a President, Vice President, Secretary, Treasurer and Vice President for Land Conservation. The Corporation may also have such other officers and agents as the Board shall from time to time authorize who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

6.02 Election of Officers. All officers shall be elected by the Directors at a Board meeting to be held within 60 days after the election of Directors by the Board.

6.03 Terms of Office. The officers shall hold office until their successors are elected and qualified. Any officer elected or appointed by the Board of Directors may be removed at any time upon written notice to such officer at least 20 days prior to the meeting at which the action is to be taken and by the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

6.04 President. Unless provided otherwise by the Board of Directors, the President shall:

(a) preside at all meetings of the Board of Directors and Executive Committee and establish the agendas for such meetings;

- (b) have general and active management of the business of the corporation;
- (c) see that all policies, orders and resolutions of the Board of Directors are implemented and that the By-laws are followed;
- (d) serve as the primary spokesperson for the Board and the Corporation;
- (e) assume other duties as required by the Board.

6.05 Vice President. In the absence of the President or in the event of the President's inability or refusal to act, the Vice President shall perform the duties of the President, and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall also:

- (a) Perform such other duties and have such other powers as the Board of Directors may from time to time prescribe by standing or special resolution, or as the President may from time to time provide, subject to the power and supervision of the Board.

6.06 Treasurer. The Treasurer shall:

- (a) have the custody of the corporate funds and securities, keep full and accurate accounts of all receipts and disbursements in books belonging to the Corporation and ensure that the financial business of the Corporation is conducted in a proper and legal manner;
- (b) deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors;
- (c) disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements;
- (d) render to the President and the Board of Directors, at its regular meetings, or when the Board of Directors so requests, an account of all the transactions as Treasurer and of the financial condition of the Corporation;
- (e) prepare an annual operating and capital budget and arrange for an annual audit;
- (f) serve on appropriate finance-related committees;
- (g) conduct Board and Executive Committee meetings in the absence of the President and Vice President; and
- (h) perform such other duties and have such other powers as the Board of Directors may from time to time prescribe by standing or special resolution, or as the President may from time to time provide, subject to the power and supervision of the Board.

6.07 Secretary. The Secretary shall:

- (a) attend all meetings of the Board of Directors and Executive Committee and record all the proceedings in books to be kept for that purpose and shall perform like duties for any other committee when required;
- (b) give, or cause to be given, all required notices of all meetings of the Board of Directors;
- (c) send minutes of meetings to the appropriate Directors in a timely manner
- (d) conduct Board and Executive Committee meetings in the absence of the President, Vice President and Treasurer; and
- (e) perform such other duties and have such other powers as the Board of Directors may from time to time prescribe by standing or special resolution, or as the President may from time to time provide, subject to the power and supervision of the Board.

(f) If the Secretary is absent from a Board meeting, the President may appoint someone to take Minutes for that meeting.

6.08 Vice President for Land Conservation. The Vice President for Land Conservation shall:

- (a) review land management plans to ensure that any restrictions (e.g., gift and/or conveyance restrictions) are enforced;
- (b) ensure that the By-laws and policies of the Corporation concerning land transactions and management are followed and enforced; and
- (c) perform such other duties and have such other powers as the Board of Directors may from time to time prescribe by standing or special resolution, or as the President may from time to time provide, subject to the power and supervision of the Board.

## ARTICLE VII

### FINANCE

7.01 Fees and Profits. The Corporation may charge fees or prices for services or products it tenders within its lawful authority, but may not make any profit thereon.

## ARTICLE VIII

### REAL ESTATE

8.01 Authorization for Transactions.

- (a) The vote to proceed with negotiations on acquisitions of title to land shall be taken by the Board.
- (b) The vote to proceed with, suspend or terminate any land transaction negotiations may be taken at a Board meeting.
- (c) The sale, mortgage, lease or other disposition of the Corporation's real property and the purchase of real property by the Corporation must be authorized by a vote of at least two-thirds of the entire Board.
- (d) The acceptance of a conservation easement or gift of real property must be authorized by a vote of at least two-thirds of the entire Board. The Executive Committee may vote at a meeting to accept such easements or gifts, conditioned upon ratification by the Board at its next meeting.

## ARTICLE IX

### LIMITATION OF LIABILITY, INDEMNIFICATION AND INSURANCE

9.01. Limitation of Liability. A Director of the Corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take action, unless the Director has breached or failed to perform the duties of his or her office under Section 719 of the New York Not-For-Profit Corporation Law ("NPCL") (relating to standard of care and justifiable reliance) as amended from time to time, or any successor provision, and the breach or failure constitutes willful misconduct or recklessness. This provision shall not expand the liability and

limitations thereon of officers and directors under Section 7:20(a) of the NPCL. This provision shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for payment of taxes pursuant to local, state or federal law.

9.02. Indemnification. The Corporation shall indemnify any officer or Director (or employee or agent designated by a majority vote of the Board of Directors to the extent provided in such vote) who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Corporation) by reason of the fact that he/she is or was a Director of officer (or employee or agent) of of the Corporation or is or was serving at the request of the Corporation as a Director or officer (or employee or agent) of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by her/him in connection with such action, suit or proceeding. Officers and Directors of any subsidiary of the Corporation shall be deemed to be persons acting as an officer or Director of another corporation at the request of the Corporation. Indemnification pursuant to this Section shall not be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness. Expenses incurred by an officer of Director (or employee or agent), purportedly indemnified by this Section in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he/she is not entitled to be indemnified by the Corporation. The indemnification and advancement of expenses provided by, or granted pursuant to, this Section shall continue as to a person who has ceased to be a Director or officer (or employee or agent) of the Corporation and shall inure to the benefit of the heirs, executors and administrators of such person.

9.03 Insurance. The Board of Directors may authorize, by a vote of a majority of the whole Board of Directors the Corporation to purchase and maintain insurance on behalf of any person who is or was a Director or officer (or employee or agent) of the Corporation, or is or was serving at the request of the Corporation as a Director or officer (or employee or agent) of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article, Further-more, the Corporation may create a fund of any nature, which may, but need not be, under the control of a Director, or otherwise secure or insure in any manner its indemnification obligations referred to this Article.

## ARTICLE X CONFLICTS OF INTEREST

10.01 Policy. It is recognized that occasions may arise when a member of the Board of Directors or an officer of the Corporation has a financial or adjoining landowner interest in a contract or transaction upon which action is to be taken or withheld by the Board or a



committee thereof. It is the policy of the Corporation and of its Board of Directors that:

- (a) Any material facts as to such financial or adjoining landowner interest shall be disclosed by such Director or officer to the members of the Board or committee.
- (b) The Director or officer having such financial or adjoining landowner interest on any matter shall not vote or use any personal influence in regard to the matter (except that he/she may state a position on the matter and respond to questions about it); however, such Director or officer may be counted in determining the quorum for the meeting at which the matter is voted upon. The minutes of the meeting shall reflect that the disclosure was made and that such Director or officer abstained from voting.
- (c) No contract or transaction in which a Director or officer has a financial interest shall be knowingly entered into by the Corporation unless it has been authorized in good faith by the Board of Directors pursuant to Section 5728 of the Not-for-Profit Corporation Law.
- (d) Directors or officers may bid on lands offered for sale by the Corporation, but only when a public offering has also been made. Directors, officers or volunteers may bid on projects paid for by the Corporation, but only on an equal basis with other bidders.

## ARTICLE XI GENERAL PROVISIONS

11.01 Construction of Powers. Unless these By-Laws expressly or by clear construction or implication so provide, nothing contained in these By-Laws is intended to or shall limit, qualify, or restrict any powers or authority granted or permitted to nonprofit corporations by the Not-for-Profit Corporation Law.

11.02 Corporate Seal. The Board of Directors shall prescribe the form of a suitable corporate seal, which shall contain the full name of the Corporation and the year and state of incorporation.

11.03 Fiscal Year Annual Budget. The fiscal year of the Corporation shall end on the last day of June in each year unless otherwise determined by the Board of Directors. The Board of Directors shall adopt an operating and capital budget annually for the following fiscal year by June 30 of each year.

11.04 Financial Accounts Checks/Withdrawals. The funds of the Corporation shall be deposited or invested in one or more financial institutions or instruments as determined by the Board. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate. Withdrawals of funds shall be in accordance with policies established by the Board, which policies shall be reviewed annually.

11.05 Waiver of Notice. Whenever any notice is required to be given under the provisions of the Not-for-Profit Corporation Law or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to said notice whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the nature of the business to be transacted or the purpose of the meeting need be specified in the waiver, except that a waiver for a special meeting shall specify the general nature of the business to be transacted. Attendance of

a person, either in person or by proxy, at any meeting shall constitute a waiver of notice of such meeting.

11.06 Records. An original or duplicate record of the proceedings of the Board of Directors and other bodies, the books or records of account, and the By-Laws, shall be kept at the registered office or principal place of business.

11.07 Disposition of Income and Assets. Pursuant to paragraph 3 of the Articles of Incorporation and Section

501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law (the “Code”), no part of the income or profits of the Corporation shall be paid, distributed or otherwise inure to the benefit or use of its Directors or officers or other private persons except that the Corporation shall be authorized to pay compensation in reasonable amount to its Directors or officers for services rendered and to make payments and distributions in furtherance of its general corporate purposes including contributions and donations for charitable purposes. Upon dissolution of the Corporation, the assets of the Corporation shall not be distributed to its Directors or officers or other private persons. In the event of such dissolution, the Board of Directors shall, after paying or making provision for the payment of all corporate liabilities and after provision is made for the disposition of any property committed to charitable purposes as required by court order, transfer and convey the remaining assets to such charitable organization or organizations which at the time shall qualify under Section 501(c)(3) of the Code (or the corresponding provisions of any future United States Internal Revenue Law), as the Board of Directors shall determine to be most similar to the Corporation’s character, purposes and method of operation.

11.08 Construction. Whenever the context of these By-Laws reasonably requires, the masculine shall include the feminine and the singular shall include the plural, and vice-versa, If any portion of these By-Laws shall be invalid or inoperative, then so far as is reasonable and possible, the remainder shall be valid and operative. The headings of each Section are for convenience and clarity and are subordinated to the other written materials. These By-Laws are subject to and governed by the Articles of Incorporation.

## ARTICLE XII AMENDMENTS

12.01 Amendments. These By-Laws may be altered, amended, or repealed by two-thirds majority vote of the Board of the Directors present at any regular or special meeting at which a quorum is present, which meeting must be duly convened after notice of the nature of the proposed amendments is mailed to all Directors at least 15 days in advance of the meeting. Absentee ballots may be authorized by the Board President or his/her designee as described in these By-Laws.

## ARTICLE XIII TAX EXEMPT STATUS

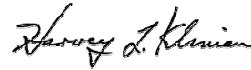
13.01 Tax Exemption. These By-Laws shall be interpreted, and the affairs of the Corporation

shall at all times be so conducted, to assure the Corporation's status as a "publicly supported" organization as defined in Section 509(a) (1), Section 509(a) (2) or Section 509(a) (3) of the Code, and to assure its qualification for exemption from tax pursuant to Section S01(c) (3) of the Code.  
SMHT 2010

These By-laws were approved and adopted by the Board of Directors of SMHT on December 9, 2010.

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President: Harvey L. Kliman



Secretary: Deborah S. Kliman

