

Please review the proposed revisions to the Society's current Bylaws from the Bylaws Committee, appointed by the Board of Trustees. This is the second version the Committee has shared.

The text in red is the current version of the Society's Bylaws.

The text in black is the revised version of the Society's Bylaws the Bylaws Committee encourages you to consider.

Yellow highlighted text are the proposed revisions to our current version of the Society's Bylaws.

The text in blue are the Bylaws Committee's justifications for making these revisions.

Your input is important to us. Written comments and suggestions for this round of revisions must be sent to Committee Chair, Rob Drye, at robert.c.drye@hitchcock.org by Friday, May 1st to be considered in time for the publication of the final version.

The Board of Trustees will complete a final review of the Bylaws at their scheduled meeting on May 16, 2020. Trustees will select the date of the Special Meeting for shareholders to vote on the revisions at that time. A final revised version will be made available to member shareholders in good standing with the notification of the Special Meeting at least 14 days in advance of the scheduled meeting.

New England Electric Railway Historical Society

BY-LAWS AS ADOPTED MAY 1975 AMENDED MAY 29, 1982, MAY 25, 1996, Oct 7, 2000 PROPOSED REVISIONS (second draft): February 28, 2020

PREAMBLE

This corporation shall be known as "The New England Electric Railway Historical Society". The aims, objectives and purposes of this corporation, hereinafter to be known and described as the "Society" shall be to collect, preserve, and maintain for study, exhibition, and operation; street cars and other transit vehicles of various periods, and to provide a source of information of a scientific, educational, and historical nature relating to the origin, development, and use of transit equipment and operations. Membership will be open to all persons irrespective of race, creed, color, national origin or sex, interested in the aims and objectives of the Society.

Proposed Revisions:

This corporation shall be known as **the** "New England Electric Railway Historical Society, hereinafter to be known and described as "the Society." The aims, objective and purposes of ~~this corporation~~ the Society, hereinafter to be known and described as the "Society" shall be to collect, preserve, and maintain for study, exhibition, and operation; **streetcars** and other transit vehicles of various periods, and to provide a source of information of a scientific, educational, and historical nature relating to the origin, development, and use of transit equipment and operations. Membership will be open to all persons interested in the aims and objectives of the Society irrespective of national origin, gender, marital status, sexual orientation, or any attribute established by the United States government as the basis for being a protected class of persons.

Justification: Corrected punctuation. Added classes to reflect classes federally protected in present day, as well as other classes the Society wishes to have represented in the Preamble. Corrected our name by removing "the."

BY-LAWS Article I.

The by-laws of this Society are to be in conformity with the deed of incorporation and the laws of the State of Maine. Any provision inconsistent with said deed, or any such law is hereby individually abrogated.

Proposed revisions:

Article I. Conformity to State Law and Articles of Incorporation

The by-laws of **the** Society are to be in conformity with **its articles** of incorporation and the laws of the State of Maine. Any provision inconsistent with said **articles**, or any such law is hereby individually abrogated.

Justification: Changed language to reflect language used in Maine Nonprofit Corporation Act.

Article II. Name

The name of the operating segment of the Society shall be "The Seashore Electric Railway", "The Seashore Trolley Museum", or such similar name as may be designated by the Society.

Proposed revisions:

Article II. Name of Operating Segment

The name of the operating segment of the Society shall be "The Seashore Trolley Museum," "The Seashore Electric Railway," or such similar name as may be designated by the Society **for the principal or other operating entities**.

Justification: Corrected punctuation. Changed language to reflect language used in Maine Nonprofit Corporation Act. Moved "Seashore Trolley Museum" first in sequence.

New Proposed Article:

Article III. Mission and Vision

The New England Electric Railway Historical Society shares powerful connections between the past and present. The Society's mission is to preserve knowledge, context, and resources for future generations by collecting, restoring, operating, and exhibiting significant public transit vehicles and artifacts.

The Society will continue the legacy of its founders by maintaining and sharing world-class transit collections and knowledge with a growing membership, its many visitors, local communities, and the public transportation industry.

The Society's work is guided by respect for the technological, aesthetic, and historically significant characteristics of its collections, and by engagement with its audiences and community, in the past, present, and future.

The Society will strive for the highest standards of professional practice in every facet of the organization, and to make its museum experience accessible to everyone.

The Society's capital improvement programs will create improved capacity for collection management, storage, exhibition and interpretation, and responsible stewardship of its assets.

The Society will invite and facilitate wide participation in carrying out its mission and perpetuating its legacy through programs of engagement with supporters, members, and the giving community.

Justification: Added Mission and Vision to by-laws to follow best practices for information included in nonprofit bylaws. Changed first-person format of our mission to the formalized version included here.

Article III. Trustees and Officers

Listed in revised document as **Article IV. Board of Trustees**

New Proposed Section, combined with current Section 7 within the same Article

Section 1. General Powers

The executive powers of the Society shall be vested in the Board of Trustees who will direct the affairs of the Society in accordance with the mission and vision of the Society and all applicable laws and regulations. The Board of Trustees provides oversight with respect to strategic direction and key policies of the Society. Duties include, but are not limited to, the following:

1. Interpreting and protecting the mission of the Society.
2. Modifying and adopting the vision for the Society.
3. Developing, supporting and implementing the strategic business plan and long-term site plan.
4. Meeting all legal obligations and assuring that the Society is operating within federal, state, and local laws.
5. Providing financial oversight.
6. Ensuring adequate financial resources for the Society, including supporting the budget through personal resources.
7. Expanding the Society's network of friends and supporters.
8. Identifying and developing opportunities to promote the Society's mission, fund development, and enhance its reputation.
9. Building a competent Board of Trustees that is diverse and committed to the well-being of the Society.
10. Ensuring that the by-laws allow for appropriate structure and management of the Board to carry out the mission, vision, and work of the Society.
11. Enhancing the Society's public standing through advocacy and involvement.
12. Hiring, supporting, and evaluating the Executive Director.

Justification: Added additional language to the by-laws to clearly state what is expected of all Trustees in the future to ensure all Trustees appointed and elected to our Board have the experience, time, and resources to fulfill our Mission and Vision, and Strategic Direction.

Section 1.

The governing body of this Society shall be a Board of Trustees elected by the membership as hereunder provided. This Board is not to exceed twelve persons.

Proposed Changes:

Section 2. Number of Trustees

The Board of Trustees shall have no fewer than 12 and no more than 15 members. The President & CEO and Executive Director are ex-officio members without a vote.

Justification: Under the new structure, the Board may choose to appoint additional Trustees if their experiences and resources will fulfill our Mission, Vision, and Strategic Direction. The Board may also choose not to fill vacancies if a suitable replacement has not been identified at the time of the vacancy, provided that there are already twelve or more Trustees serving at that time.

Section 2.

The term of office of each Trustee shall be three (3) years and as nearly as possible, the terms of one-third of the Trustees shall expire each year. Trustees shall be members in good standing. Trustees shall receive no remuneration for their services as Trustees, nor for their service to the Society in other capacities within the Society.

No person shall be consecutively elected to the office of Trustee more than twice, without a minimum of a one (1) year separation from service. No person who has held the office of Trustee for more than two years of a term to which

some other person was elected shall be elected to the office of Trustee more than once, without a minimum of a one (1) year separation from service. This requirement shall require only to those persons who are elected to the office of Trustee from the date of passage of *these* revised by-laws.

Elected Trustees shall assume their posts at the Trustees' meeting immediately following the annual meeting or special meeting called for the purpose.

Proposed Revisions:

Section 3. Compensation

No member of the Board of Trustees shall receive compensation for any services rendered to the Society in ~~their~~ his or her capacity as a Trustee nor shall they receive compensation for any ~~their~~ service to the Society they may provide in other capacities within the Society.

Justification: Changes made for clarity. Removing gender-specific personal pronouns.

Section 4. Selection of Trustees

Four members of the Board shall be elected by the shareholding members at the Annual Meeting, subject to the Terms of Office in Article IV Section 6 and the rules in effect for the Annual Meeting. These shall be known as Elected Trustees, and shall have all of the rights, privileges and responsibility of the remainder of the Board. The other Trustees shall be known as Board-Appointed Trustees. In April, or as needed to fill a vacancy, the Board of Trustees shall elect Board-Appointed Trustees by a majority vote of Trustees. The Board-Appointed Trustee's term shall begin on the 1st of the month following the meeting date when the member is appointed. All Trustees shall be eligible to serve two (2) consecutive three year terms.

Justification: This proposed revision would change the way Trustees are currently elected—from the current shared-voting structure of Trustee elections at Annual Meetings to a pre-dominantly self-perpetuating Board with four Elected Trustees, to ensure the institutional knowledge of the Museum is always present within the Board of Trustees.

Why Change? The Society has been successful in its work to date measured against any standards, but we owe it to ourselves the shareholders, our members, our community, and our legacy as railway and historic preservationists to do better. Over the past three decades, only a third of our planned site development and much less than a third of our anticipated collection restoration has been completed. Many items in our collection that we worked so hard to save and preserve, and several one-of-a-kind parts are still outside, exposed to our harsh coastal Maine climate. While our Board structure and shareholder election process have gotten us to this point, we can no longer keep up; as the needs of our collection and our campus grow, the administrative load is growing for the Society as well.

The realization that our small group of active leaders and other active members are not able to meet the needs of our Society forward, beyond where it is today, comes through several signs:

- Most of our core members do not really want to do administrative work and do not have the right skill sets. While many members can speak at great lengths about the needs of the Society, few have successfully taken the lead on working towards a sustainable, long-term solution to fill those needs.
- Many core members are not able to give at a level that supports the Society's budget, and many do not have the network to ask for donations that would support the Society at a meaningful level.
- The goal at all Board meetings, discussions at our Annual Meeting, and town halls at Members Day is to always have strategic conversations around planning for our future. However, vocal members and leaders can't seem to break the cycle of shifting our conversations away from big picture planning and only focus on the day-to-day work. It is a constant challenge to get the business of the Society done when our real love is of streetcars, rapid transit, trackless trolleys and buses, and the overall museum operation.
- Our 2020 Strategic Plan will announce that in order to reach our short-term site development goals, we need to raise ten times as much in capital funding over the next five years as our membership has successfully raised in the last ten years.
- The "business load" on the Trustees grows larger and larger – we are now a \$5M enterprise. Our small group of leaders is

overloaded and burnt out.

The situation we are currently in has manifested itself in many ways, but particularly noticeable is the draining of valuable railway heritage knowledge and resources away from the historical activities of restoration and interpretation, tying them up with administration. Even with the addition of a professional Executive Director eight years ago, the workload continues to climb and the challenges of managing both volunteers and staff require some new direction.

The Next 80 Years Need Something More! Changes to our Bylaws will allow us to preserve our institutional knowledge through our Elected and Senior Trustees while recruiting Board-Appointed Trustees from industries including hospitality and tourism, heritage preservation, finance, and transportation. We will look for a broad range of experience, community involvement and skills.

A new mix of Trustees will provide the Society with:

- A stronger linkage with our home community
- The ability to select Trustees for their specific business and administrative skills
- Increased and more powerful fundraising access
- A much broadened base of administrative volunteers
- A more professional administrative approach
- More reasonable individual Trustee workloads
- An ability to return the fun and motivation to our projects

Under our proposed changes, the Board would approve the budget and help with administrative decisions, as well as give guidance on policy, but would stay out of the details. Staff and volunteers appointed to Administrative positions will be even more empowered to work together and carry out museum operations and project oversight. Our overall goal – and the reason that we are railway and historic preservationists in the first place – is to see our collection preserved for future generations. A new Board of Trustees structure elevates our abilities to a new level and will help us with both the fundraising needed as well as the administrative direction necessary to see these goals achieved. The Board will be a key part in helping us achieve our mission for another 80+ years.

New Section:

Section 5. Elections

Board-Appointed Trustees shall be elected by a majority of those Trustees present at a meeting, for three (3) year terms on a staggered basis. New terms shall commence and old terms shall expire on May 1st with an election by the Trustees in April. Trustees shall continue in office until their successors are elected by the Trustees.

Elected Trustees shall be voted on by the membership in a rotation to fill two Trustee positions in the first year, and one Trustee position in the two subsequent years, repeating this rotation every three years. If a vacancy occurs in one of the four Elected Trustee positions, the Board of Trustees may either appoint a member shareholder in good standing to fill the remainder of the vacated term, or the position may remain unfilled until an election at a Special or Annual Meeting.

Justification: Accompanies earlier Sections to layout the proposed new election procedure for Trustees.

Proposed Revision:

Section 5. 6. Terms of Office

The term of office of each Trustee shall be three (3) years and as nearly as possible, the terms of one-third of the Trustees, and one-third of Elected Trustees, shall expire each year. All Trustees shall be members in good standing. Trustees shall receive no remuneration for their services as Trustees, nor for their service to the Society in other capacities within the Society.

Board- Appointed Trustees may be appointed consecutively to the office of Trustee more than twice if the Trustee is in good standing. A Trustee is considered in good standing if they are fulfilling the General Powers of a Trustee (Article IV Section 1). An Elected Trustee may be elected to two consecutive terms, only.

Justification: Revisions in this section further define terms and would give the Board of Trustees an opportunity to appoint current Trustees for additional one-year terms if their contributions to the Society are extraordinary and their term limit would hinder progress and not be for the good of the Society overall.

Section 4.

Trustees shall meet at such times and places as they shall determine. A meeting may also be called by the Chairman of the Board or President and/or on the petition of three (3) Trustees. Notification of any Trustees' meeting shall be made at least seven (7) days prior to the meeting unless such notice is waived by common consent. Trustees' meetings may be cancelled or postponed for grave or serious reasons. A quorum shall consist of one-half of the MEMBER Trustees but not less than four (4).

Proposed Revisions:

Section 7. Board of Trustee Meetings

Trustees shall meet at times and places as they shall determine. A meeting may also be called by the ~~Chairman~~ of the Board or President & CEO and/or on the petition of three (3) Trustees. Notification of any Trustees' meeting shall be made at least seven (7) days prior to the meeting unless such notice is waived by common consent. Trustees' meetings may be cancelled or postponed for grave or serious reasons. A quorum shall consist of one-half of the MEMBER Trustees ~~but not less than four (4).~~

Justification: Removed unnecessary wording. Removing gender-specific personal pronouns. Titles have been made consistent with other Sections.

Section 5.

Vacancies on the Board of Trustees may be filled temporarily at a regular meeting subject to confirmation at the next annual or special meeting called for the purpose. Trustees may be removed and their office declared vacant only by vote of the membership at an annual or special meeting called for the purpose.

Section moved to Article VI: Committees, Section 1. Standing Committees (Board Development Committee)

Justification: Section moved to avoid redundancy within revised document.

Section 6.

There shall be established a category to be known as "Senior Trustee". Notwithstanding any provision of Article III., Section 1., membership in this category will be open to any member whose years of age plus years of service as a Trustee add to seventy (70), provided that the member has served as a Trustee for not less than ten (10) years and has been a member not less than twenty (20) years. Individuals selected by the Trustees and confirmed at a meeting of the Society shall have indefinite tenure and will enjoy all the rights and privileges of other Trustees except voting and quorum. They will be admitted to all meetings, made privy to the deliberations of the Trustees and contribute their knowledge and experience to the upbuilding of the Society.

Proposed Revisions:

Section 8. Senior Trustees

There shall be a category known as "Senior Trustee". Notwithstanding any provision of Article IV., Sections 4 and 5, membership in this category will be open to any member whose years of age plus years of service as a Trustee add to seventy (70) ~~or more~~, provided that the member has served as a Trustee for not less than ~~nine (9) years~~ and has been a

member not less than twenty (20) years. Individuals selected as Senior Trustees by the Trustees and confirmed at a meeting of the Society shall have indefinite tenure and will enjoy all the rights and privileges of other Trustees except voting. They shall not be counted towards the requirements for and quorum of the Board of Trustees. They will be admitted to all meetings, made privy to the deliberations of the Trustees and may contribute their knowledge and experience to the upbuilding of the Society.

Justification: Changed Article/Section to reflect revisions. Changed nine years from ten years because terms are typically three years each, and nine reflects the number of three full terms served. Language added for clarity.

Section 7.

The Board of Trustees shall represent the members of the Society and will assume full responsibility for the management of the Society and its operations. They shall determine policies, establish appropriate administrative and fiscal controls and take such action as they deem necessary to ensure successful implementation of policies and programs.

(Section moved to Section 1 within this Article)

Justification: Section moved to avoid redundancy within revised document.

New Proposed Section:

Section 9. Voting

All members of the Board of Trustees, except Senior Trustees and *ex-officio* members, shall be entitled to one vote. A quorum must be present for any transaction that requires a vote. The Chair may vote only when it is to break a tie.

Any action required by law to be taken at a meeting of Trustees, or any action which may be taken at a meeting of Trustees, may be taken without a meeting if a consent through electronic communication is made available to all Trustees. Unless otherwise stated in the call for votes, a simple majority of the Board is required for passage. A Trustee's consent may be transmitted in writing provided that such consent bears the signature (original or electronic) of the individual Trustee. A clearly noted "yes," "no" or "abstain" also must be transmitted for the vote to be included. Results of a vote taken outside of a regularly scheduled meeting of Trustees shall be recorded in the minutes of the next regularly scheduled meeting of the Board of Trustees.

Justification: Section added to clarify voting procedures and to include information required by the Maine Nonprofit Corporation Act. Section also includes procedures for electronic voting.

New Proposed Section:

Section 10. Resignation

Any Trustee may resign at any time by giving written notice to the Chair and Secretary. Such resignation shall take effect immediately upon receipt, unless some other time is specified in the notice.

Justification: Section added to clarify procedures for Trustee resignation and to include information required by the Maine Nonprofit Corporation Act.

New Proposed Section:

Section 11. Removal

Any member of the Board of Trustees may be removed from office by a written majority vote of the Board at a regular or special meeting called for that purpose. Such removal may be enacted for conduct detrimental to the interests of the Society, for lack of sympathy with its objectives, for refusal to render reasonable assistance in carrying out its purposes, for failure of confidence in that Trustee, or for absenteeism as addressed in Article IV, Section 12.

The Executive Committee as established in accordance with Article IV Section 4 of these bylaws will be responsible for initiating the removal process for any Trustee. Any member of the Board of Trustees proposed to be removed by a vote of the other Trustees shall be entitled to at least 14 days' notice in writing of the meeting at which such removal is to be considered for vote and shall be entitled to be heard at such meeting.

Justification: Section added to clarify procedures for Trustee removal and to include information required by the Maine Nonprofit Corporation Act.

New Proposed Section:

Section 12. Removal for Absenteeism

If a Trustee is absent from two (2) or more regular meetings during a calendar year, their effectiveness as a Trustee may be reconsidered. Written notice of the consideration for removal due to absenteeism will be sent to the Trustee in question at least 14 days in advance of the meeting at which such removal is to be considered.

Justification: Section added to build accountability to the Trustee role and to include information required by the Maine Nonprofit Corporation Act.

New Proposed Section:

Section 13. Vacancies

A vacancy on the Board of Trustees may occur if a Trustee is no longer able to fulfill their responsibilities, or if the Board chooses to appoint an Elected Trustee, resulting in a vacant Elected Trustee position. Vacancies shall be filled in accordance with Article IV Section 5 of these bylaws.

Justification: Section added to include information required by the Maine Nonprofit Corporation Act.

New Proposed Section:

Section 14. Indemnification

The Society shall, to the full extent permitted by Maine law, indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal, by reason of the fact that he or she is or was a Trustee of the Society. The right of indemnification shall inure to the benefit of the heirs and personal representatives of the Trustee. In no event shall indemnification be extended hereunder to any individual designated by the Society in a written contract as an independent contractor for services provided thereunder.

Justification: Section added to assure Trustees that the Society will pay any legal fees related to the organization's activities or their Board service (unless caused by the sole negligence of the Board member), and to include information required by the Maine Nonprofit Corporation Act.

Section 8.

At their discretion, the Trustees may create subsidiary entities within the framework of the Society to implement the objectives of the Society. They shall delegate authority to assigned persons to conduct the operations of the entity in the area for which it was established. Auxiliary or volunteer organizations may be established by individuals to cooperate with the Society in pursuit of its aims and objectives. Such groups may not claim relationship with the Society unless and until one Trustee is included in the management of such a group as approved by the Board of Trustees.

In revised document this Section is listed under this Article, Section 15. **Subsidiary Entities.**

Justification: Keeping original text, renumbering Section number to fit with proposed revisions.

Section 9.

The Trustees may hire employees and may create and fill, discontinue and vacate any positions as they may deem suitable and desirable. To each person chosen for any position the Trustees shall specify, describe, and assign duties and titles and may delegate authority.

New Proposed Section:

Section 16. Hiring Personnel

The Trustees **or designee** may hire employees and may create, ~~and~~ fill, discontinue ~~and or~~ vacate any positions as they may deem suitable and desirable. To each person chosen for any position the Trustees shall specify, describe, and assign duties and titles and may delegate authority.

Justification: Adding “designee” to delegate this responsibility to others including the Executive Director; grammar adjustments. Renumbering Section number to fit with proposed revisions.

New Proposed Section:

Section 17. Conflict of Interest

Any member of the Board of Trustees who has a financial, personal, or official interest in, or conflict or appearance of a conflict with any matter pending before the Board of Trustees, of such nature that it prevents or may prevent that member from acting on the matter in an impartial manner, will offer to the Board to voluntarily abstain from voting on said item. Meeting minutes will note any such abstentions.

Justification: Added to encourage ethical decision-making and to include information required by the Maine Nonprofit Corporation Act.

New Proposed Section:

Section 18. Transition during Revision of Bylaws (to be annulled April 2024)

This section is a temporary provision to effect the orderly change from the current share-voting structure of Trustee elections to a self-perpetuating Board. Following the Annual Meeting in April 2020, Trustee elections among members will change. In April 2021, two (2) Elected Trustees will be elected by the member shareholders, and at least two (2) Trustees will be appointed by the Board of Trustees, to be confirmed by member shareholders at the Annual Meeting. These Elected and Appointed Trustees will replace the four Trustees whose terms are ending in 2021. Additional Trustees may be appointed if the Board so chooses, following Article 4, Section 2. In 2022, one (1) Elected Trustee will be elected by member shareholders, and other Trustees may be appointed by the Board of Trustees, to be confirmed by member shareholders at the Annual Meeting. In 2023, one (1) Elected Trustee will be elected by member shareholders, and other Trustees may be appointed by the Board of Trustees, to be confirmed by member shareholders at the Annual Meeting. In 2024, the election rotation repeats; member shareholders elect two (2) Elected Trustees, and other Trustees may be appointed by the Board of Trustees, to be confirmed by member shareholders at the Annual Meeting.

Justification: Added to map out logistics of changing to a self-perpetuating Board.

New proposed Article:

ARTICLE V. Officers

Justification: A new Article has been created in the revised document to separate Officer roles and responsibilities from

the previous Article.

The following, Section 10, has been re-formatted in a way that makes the proposed changes challenging to follow. As such, the complete Section 10 in the current document is shown below, following the complete suggested revised language in new sections under Article V, and the Justification section shares what has been removed and why.

Section 10.

The Trustees shall elect the corporate officers hereunder at a meeting immediately following the Annual Meeting.

Chairman of the Board
President
Vice President(s)
Secretary
Clerk of Corporation
General Counsel
Treasurer
Comptroller
General Manager
Membership Secretary

These officers shall serve until the next Annual Meeting or until their successors are elected and qualified.

The Chairman of the Board must be a Trustee and shall preside at all meetings of the Society. The Trustees may choose a Vice Chairman and/or a temporary chairman to act in the absence of the Chairman of the Board.

The President is the chief executive officer and holds the powers common to such office. He shall be a member and a Trustee and be responsible for the implementation of the directives of the Trustees.

The Vice President who may be designated as Executive Vice President will act in the absence of the President and will assume such duties and responsibilities as may be assigned by the Trustees. The Trustees may designate additional Vice Presidents at their discretion and assign duties and titles.

The Secretary shall record the proceedings of annual and special meetings and Trustees' meetings and will maintain suitable records.

The Clerk of Corporation shall call the Annual Meeting as directed by the Trustees, sign the record of annual meetings and perform such other duties as prescribed by the laws of the State of Maine.

The General Counsel shall be a member of the bar of the State of Maine, in good standing. He shall perform all duties common to an attorney at law. He is hereby designated to receive service of legal process and to defend the Society against all legal actions not otherwise provided. His powers to represent this Society (Corporation) are hereby confirmed. No lawsuit may be instituted in behalf of the Society unless done so by the General Counsel or his designated representative. No officer, Trustee, or member may act for him without his knowledge and previous consent.

The Treasurer shall have authority over fiscal management. He shall receive and disburse all monies and is an authorized signatory to sign checks and financial documents on behalf of the Society. He may, with Trustee approval, appoint assistants to whom authority may be delegated to perform the functions of this office. As chief financial officer the Treasurer shall be bonded by the Society in such manner and amount as the Trustees may determine. The expense for this bonding shall be assumed by the Society. The Treasurer is designated to represent the Society in the purchase and sale of real and personal property and he shall verify that deeds and documents have been duly recorded with the proper authorities. He shall act with the knowledge and consent of another officer when amounts over one hundred dollars (\$100.00) are involved. No real estate or capital assets of the Society valued at more than two hundred dollars (\$200.00) shall be sold, mortgaged, or otherwise disposed of except by a vote of the Trustees.

The Comptroller shall keep financial records satisfactory to the Trustees or an auditor appointed by them. He shall estimate income, prepare budgets based on programs submitted to him, and make reports as directed by the Trustees. In cooperation with the Treasurer he shall regulate expenditures.

The General Manager is the chief operating officer of the Society, and shall have such duties as the Trustees may determine. He is empowered to appoint assistants in various categories subject to approval by the Trustees.

The Membership Secretary shall maintain records of membership and shall perform such other duties as are specified elsewhere in these by-laws and/or the Trustees may direct.

New Sections:

Section 1. Positions

The officers of the Society shall consist of Chair, Vice Chair, Immediate Past-Chairman, President & CEO, Vice President, Treasurer, and Secretary who shall be elected by the Board of Trustees. The offices of Chair and Vice Chair must be held by a Trustee.

Section 2. Election

Any Trustee may submit their name to the Chair or President & CEO as a nominee for election to the office of Chair, or Vice Chair. Any Trustee or member may submit their name to the Chairman or President & CEO as a nominee for election to the office of President & CEO, Vice President, Treasurer and Secretary.

Election, by written ballot if requested, will be held at the first meeting of the Board of Trustees following the Annual Meeting.

Section 3. Term of Office

Officers shall serve one (1) year terms, renewable at the end of each term. The Chair will succeed to the office of Immediate Past-Chair at the end of the Chair's term. Officers shall serve until the Board meeting following the next Annual Meeting or until their successors are elected and qualified.

Section 4. Duties of Officers

1. Chair

- a. Presides over all meetings of the Society, as the senior leader of the Trustees
 - i. Plans meetings and sets meeting agendas with the President & CEO, Executive Director and Secretary.
 - ii. Facilitates discussion and ensures every Trustee has the opportunity to express their opinions.
 - iii. Ensures that each Trustee's wisdom and expertise are being tapped.
 - iv. Assigns tasks to committee chairs.
 - v. Resolves conflict among Trustees.
- b. Ensures committees are working toward meeting their defined objectives and goals.
 - i. Ensures committee chairs have the necessary information, tools and resources to accomplish goals.
 - ii. Keeps informed of critical issues and ensures committees are working toward meeting goals and deadlines.
 - iii. Communicates with committee chairs, gathering and providing information.
 - iv. Provides support, coaching, and motivation.
 - v. Attends critical meetings as necessary.
- c. Oversees the implementation of all corporate and local policies.
- d. Works together to ensure that the Board is operating at the highest level in appropriate areas.

2. Vice Chair

- a. Presides over all Board meetings when the Chair is not available (see Chair's job description).
- b. Performs Chair's responsibilities when the Chair is unable to do so (see Chair's job description).
- c. Learns the roles and responsibilities of the Chair.
- d. Accepts and carries out delegated responsibilities from the Chair.

3. President & CEO

- ~~a. The President of the Society is the chief executive officer.~~
- a. He or she Shall be a member of the Society and shall be responsible for the implementation of the directives of the Trustees. The President & CEO supervises the Executive Director and oversees other Administrative positions. The President & CEO or designee is responsible for oversight of all staff positions and appoints all Administrative positions of the Society.
- b. The President & CEO is designated to represent the Society in the purchase and sale of real and personal property and he or she shall verify that deeds and documents have been duly recorded with the proper authorities. Sales, mortgaging or other disposal of capital assets or real estate must be approved by the Board in advance. He shall act with the knowledge and consent of another officer when amounts over one hundred dollars (\$100.00) are involved. No real estate or capital assets of the Society valued at more than two hundred dollars (\$200.00) shall be sold, mortgaged, or otherwise disposed of except by a vote of the Trustees

4. Treasurer

- a. Oversees the finances and budget of the Society.

- b. Receives and disburses all monies and is an authorized signatory to sign checks and financial documents on behalf of the Society. He or she may, with Trustee approval, appoint assistants to whom authority may be delegated to perform the functions of this office.
 - c. As chief financial officer, the Treasurer shall be bonded by the Society in such manner and amount as the Trustees may determine. The expense for this bonding shall be assumed by the Society.
 - d. Presents financial statements and reports to the Board for approval.
 - e. Develops the annual budget with the Executive Director.
 - f. Presents the annual budget to the Finance Committee and Board for approval.
 - g. Reviews the annual audit and answers Board member questions about the audit.
5. Secretary
- a. Maintains records of the Board and ensures effective management of the Society's records.
 - b. Prepares and manages minutes of Board meetings.
 - c. Documents Trustee attendance and shares concerns with the Executive Committee.
 - d. Ensures minutes are distributed to members in a timely manner after each meeting.
 - e. Remains familiar with legal documents (articles, by-laws, etc.) to note their applicability during meetings.
 - f. Ensures the safety and accuracy of all Board records.

6. Immediate Past-Chair

- a. Serves one additional year as a Board Officer to ensure continuity in Society leadership and governance. The Immediate Past-Chair shall have no voting rights.
- b. Develops a relationship with the Chair and all new Executive Committee members, mentoring them in their positions as needed.
- c. If the standing Chair chooses to serve a subsequent one-year term, the Chair may invite the standing Past-Chair to continue as an officer for an additional one-year term as needed.

Section 5. Other Appointed Positions:

The **Vice President** will act in the absence of the President & CEO and will assume such duties and responsibilities as may be assigned by the Trustees.

The **General Counsel** shall be a member of the bar of the State of Maine, in good standing. ~~They~~ ~~He or she~~ shall perform all duties common to an attorney at law. ~~He or she is~~ ~~They are~~ hereby designated to receive service of legal process and to defend the Society against all legal actions not otherwise provided. ~~His or her~~ ~~Their~~ powers to represent this Society are hereby confirmed. No lawsuit may be instituted in behalf of the Society unless done so by the General Counsel or ~~his or her~~ ~~their~~ designated representative. No officer, Trustee, or member may act for ~~him or her~~ the General Counsel without ~~his or her~~ ~~their~~ knowledge and previous consent. The Chairman, President & CEO, Executive Director, or designee shall serve as the liaisons to the General Counsel for the Society.

Justification: Included in the transition to a self-perpetuating Board includes greater accountability and autonomy in the Officer roles. The roles of the Chair, Vice Chair, Treasurer and Secretary have been expanded to highlight their increased expectations to the Trustees and Society at whole. Most notably, the Chair has increased responsibilities. This is to ensure our membership that even with a self-perpetuating Board, an incredibly strong leader will be required to continue to lead. "Man" has been removed from "Chairman" and "Vice-Chairman" so titles are gender neutral.

A new officer role has been created, Immediate Past-Chair, to ensure sustainable Board leadership in the future with this built in succession plan. The President & CEO's role has also increased. In the current version, the Treasurer is responsible for items listed in "b" under the revised President & CEO's role. A broader, more practical policy around assets changing hands or status replaces mention of specific values in our current version.

This has been changed to reflect current practices at the Society. The Treasurer in turn has received additional roles from the Comptroller position, which has been eliminated in the revised version to reflect current practices at the Society, where the position now falls under the Executive Director. Future revisions will be made to a separate document, the Society's Financial Management Policies, following a successful bylaws revision process.

Additional officer roles have also been removed in the revised version. The role of General Manager has been removed to follow current practices at the Society, with our Executive Director now filling that role. The Membership Secretary has also been removed to reflect current practices at the Society. This position still exists, but is considered an Administrative

Officer along with several other positions that fall under the Executive Director's supervision.

Section 11.

The duties assigned to officers in the foregoing sections are general in nature; the Trustees have the authority to expand upon or modify them at their discretion to fit individual situations.

In the new document, this Section is listed under Article V Section 6. Revision of Duties

Justification: Keeping original text, changing Article and renumbering Section number to fit with proposed revisions.

Section 12.

1. The Board of Trustees shall establish a support and advisory group known as the COUNCIL OF ADVISORS. Members of the COUNCIL OF ADVISORS need not be members of the Society, but shall be persons whose advice expertise and participation would enhance and further the aims and objectives of the Society. The COUNCIL OF ADVISORS shall engage in fundraising and other necessary activities and shall act in an advisory capacity to the Board of Trustees. It shall have no legal obligation toward the operation of the Society.

The COUNCIL OF ADVISORS shall be limited to fifty (50) and its member and chairman shall be appointed by the Board of Trustees for five (5) year terms. It shall meet at such times and places as determined by the Board of Trustees or the Chairman of the COUNCIL OF ADVISORS, but shall meet at least annually.

Trustees are not eligible to serve on the COUNCIL OF ADVISORS. SENIOR TRUSTEES shall be considered as members of the COUNCIL OF ADVISORS with lifetime tenure as approved by the Board of Trustees.

In the new document, this Section has been removed.

Justification: Under the new revisions, local community members will be engaged to serve as Trustees, and will continue to be engaged to serve on other committees and in other volunteer roles at the Society. With the revisions to our Trustee recruitment and selection process, the Society will outgrow the Council of Advisors model.

This section is a temporary provision to effect the orderly change from the current level of Trustees to that authorized above. Following the Annual Meeting in May 2003, all provisions of Article III, Section 13 shall expire.

Currently there are fifteen (15) MEMBER Trustees and seven (7) PUBLIC Trustees, for a total of twenty-two (22). Therefore there are three (3) open positions. To effect the transition from the current authorized level of fifteen (15) MEMBER Trustees and ten (10) PUBLIC Trustees to the new level of twelve (12) Trustees in the minimum time possible, the following procedure shall be followed for the years 2001 to 2003.

- a. Upon the passage of the above provisions, eliminate the current three unfilled PUBLIC Trustee positions. This leaves fifteen (15) MEMBER Trustees and seven (7) PUBLIC Trustees.
- b. Upon passage of the above provisions, and to eliminate the distinction between MEMBER Trustees and PUBLIC Trustees, they shall all be reclassified as Trustees. This then leaves twenty-two Trustees with no other distinction.
- c. In May 2001, there will be eight (8) Trustee terms expiring. Only half or four (4) of these positions shall be filled. This will result in eighteen (18) Trustees.
- c. In May 2002, there will be eight (8) Trustee terms expiring. Only half or four (4) of these positions shall be filled. This will result in fourteen (14) Trustees.

- c. In May 2003, there will be six (6) Trustee terms expiring. Only four (4) of these positions shall be filled. This will result in eighteen (12) Trustees, fulfilling the requirements of Article III, Section 1 of these By-Laws.

In the new document, this Section has been removed.

Justification: This section was temporary and as the 2003 Annual Meeting has passed, this section has expired.

New Proposed Article:

ARTICLE VI: Committees

Section 1. Standing Committees

The **Executive Committee** shall consist of the Board Chair and three other incumbent Trustees, appointed by the Board. The President & CEO, unless also a Trustee and appointed to this Committee, and the Executive Director shall be non-voting *ex-officio* members. The Executive Committee is charged with acting on Trustee business that comes up between meetings and assisting the Executive Director in coordinating the activities of the Board of Trustees. The Board Chair will call meetings of the Executive Committee as needed. The Executive Committee is authorized to act on behalf of the Board when it is impossible or impractical to call a special meeting of the Board. A quorum consisting of three Executive Committee members must be present for any transaction that requires a vote.

The **Board Development Committee** shall consist of no fewer than three (3) Trustees who demonstrate characteristics sought in Trustee candidates. It shall be the duty of this Committee to maintain an accurate accounting of needed strengths of Trustees and to seek out and contact internal and external persons interested in the objectives and purposes of the Society, and to recommend these persons for membership and terms on the Board. This Committee will evaluate persons suggested for Board membership by other Trustees and will coordinate and oversee the recruitment process.

The Board Development Committee shall mentor new Board members. This includes facilitating a new Trustee orientation with each member. The Board Development Committee shall further recommend persons to fill any vacancies that may occur on the Board and shall, in accordance with these By-Laws and any policy adopted by the Society, nominate Trustees to serve as officers of the Board.

The Board Development Committee shall be responsible for establishing and making recommendations to a Board Development Plan to help maintain consistency in the long-term when chairs and members change. This Committee is responsible for reviewing the Board Development Plan annually.

The **Finance Committee** provides a strategy for funding the growth of the Society, understanding the revenue sources of the Society and identifying fundraising events and the revenue they must generate. The Finance Committee shall lead the review of the Society's Fund Development Plan annually.

The **Curatorial Committee's** primary responsibility is to inspire and educate the Society's members and the general public through the preservation, conservation and protection of the collection. Members of the committee strive to be the experts about all elements of the collection and oversee the care, storage or display, catalog and information presented about each piece.

The Curatorial Committee shall maintain and execute the Museum's Curatorial Plan, which includes creating and executing plans for accessioning and deaccessioning pieces in the Museum's collection. The Committee works alongside the Shop Director to ensure the museum's five-year Restoration Plan meets the needs of the collection, has realistic funding paths and is executed.

The Curatorial Committee works with the Executive Director to market, fundraise, and network for the benefit of the collection.

Section 2. Ad hoc Committees

Ad hoc, or special, committees will be formed for a temporary period when issues or needs arise that require additional attention from the Board. Special committees will be appointed by the Chair of the Board.

The Executive Director shall serve as a member on all special committees.

Justification: This new proposed Article lays out the roles and responsibilities to reflect current practices at the Society with three committees, the Executive Committee, Finance Committee, and Curatorial Committee. The new proposed Article

also includes a new committee that will be vital in our transition to a partial self-perpetuating Board structure, the Board Development Committee. A new section is also proposed to meet future needs of the Society by establishing a structure to appoint *Ad Hoc* Committees as needed.

New Proposed Article:

Section 1. Appointment

The Board of Trustees shall appoint an Executive Director of the Society who shall report to the President & CEO, and may terminate such appointment at its sole discretion.

Section 2. Duties

The Executive Director shall attend all meetings of the Trustees but shall have no voting rights. They shall make a report at each regular meeting of the Trustees, and shall assume those duties, which may be assigned to the position pursuant to these by-laws.

Section 3. Contracts

The Executive Director has the authority to enter contracts on behalf of the Society. Unbudgeted contracts in excess of \$1,000 require the approval of the President & CEO.

Justification: This new proposed Article lays out the roles and responsibilities of our Executive Director to reflect current practices at the Society

Article IV. Meetings and Elections

In the new document this is **Article VIII. Annual & Special Meetings**

Justification: Renumbering and retitling Article number to fit with proposed revisions.

Section 1.

There shall be held annually a meeting of this Society at a time and place designated by the Trustees not earlier than April 1 or no later than May 31. Notice of the Annual Meeting shall be made by mail to all members, officers, and Trustees at least fourteen (14) days prior to the meeting. The basis for all formal meetings of the Society shall be the most recent revision of "*Robert's Rules of Order, Newly Revised*", except where these by-laws provide otherwise.

Proposed Revisions:

Section 1. Annual Meeting

There shall be held annually a meeting of this Society at a time and place designated by the Trustees not earlier than April 1 ~~or no~~ **nor** later than May 31. Notice of the Annual Meeting shall be made by mail to all members, officers and Trustees at least fourteen (14) days prior to the meeting. The basis for all formal meetings of the Society shall be the most recent revision of "*Robert's Rules of Order, Newly Revised*," except where these by-laws provide otherwise.

Justification: Proposed grammar and punctuation change.

Section 2.

The quorum at an Annual Meeting, adjournment thereof, or special meeting shall consist of twenty-five (25) members in person holding shares of contribution, representing in person or by proxy at least twenty five per centum (25%) of the eligible shares.

Proposed Revisions:

Section 2. Quorum

The quorum at an Annual Meeting, ~~adjournment thereof,~~ or special meeting shall consist of **forty (40)** of the Society's member shareholders **in good standing**, ~~twenty five (25) members in person holding shares of contribution, representing in person or by proxy at least twenty five per centum (25%) of the eligible shares.~~

Justification: Proposed removal of unnecessary language. Revised definition of quorum to reflect change from proxy voting to voting by absentee ballot at Annual Meetings, and the importance of active participation at Special Meetings.

Section 3.

Voting at Annual Meetings adjournments thereof, or special meetings shall be restricted to eligible shareholders and a simple majority, unless otherwise required shall prevail, unless, at the request of two (2) shareholding members, and without debate, the voting shall be by shares on a basis of contributions on record at the end of the previous year and proxies therefor.

Proposed Revisions:

Section 3. Voting

Voting at Annual Meetings, adjournments thereof, or special meetings shall be restricted to **member** shareholders **in good standing** and a simple majority, unless otherwise required shall prevail, unless, at the request of two (2) shareholding members, and without debate, the voting shall be by shares on a basis of contributions on record at the end of the previous year. ~~and proxies therefor.~~ **Shareholders who do not renew their dues by March 1st are not eligible to vote at the Annual Meeting held the same year. The same applies at Special Meetings called prior to the Annual Meeting held the same year.**

Quorum shall not be required for a motion of recess or adjournment.

Justification: In the first version of the proposed revisions, the Bylaws Committee proposed removing the shared voting structure in favor of a "one shareholder, one vote" system. However, a handful of the Society's top shareholders are not ready to give up the oversight that their shares allow. The great news is that the majority of the Society's top shareholders have pledged to support the Society's New Direction and our Strategic Business Plan, including new top shareholders that, due to very generous donations in the recent years, are now among the Society's top shareholders. The Bylaws Committee thinks it is best to keep shared voting in the Bylaws as a compromise—which would continue to allow our traditional shareholders to be empowered to oversee Society matters, particularly in the areas of Collection Management, and our new shareholders to ride the Society's momentum and continue to drive the pace and get us closer to the ultimate goal—maintaining a sustainable, mission-driven, nonprofit.

Section 4.

A record shall be maintained of the proceedings of the Annual Meeting, special meeting, and of formal meetings of the Trustees, and shall be the responsibility of the Secretary.

Proposed Revisions:

Section 4. Records

A record shall be maintained of the proceedings of the Annual Meeting, **all Special Meetings**, and of formal meetings of the Trustees; ~~and~~ such maintenance shall be the responsibility of the Secretary.

Justification: Grammar and clarification edits.

Section 5.

The Trustees shall meet following every Annual Meeting or Special Meeting, and notice of the Annual Meeting shall constitute notice of this Trustees' meeting also.

(Removed in proposed revisions)

Justification: Revisions in grant Trustees the ability to elect Officers at their next regularly scheduled meeting following the Annual Meeting in Article IV Section 4.

Section 6.

Proxies may be given for and exercised at the Annual or Special Meeting by eligible members but no member may exercise proxies in excess of votes possessed in his own name, nor may he possess such a number of shares as to give him greater than one third (1/3) of the voting shares at any meeting. Non-eligible shares under this provision may be transferred by Proxy. Presiding officer may accept or reject any proxy for cause.

Proposed Revisions:

Section 5. Absentee Ballots

If a member is not able to attend the Annual Meeting in person and a vote is scheduled to occur, they may complete an Absentee Ballot. Formal Absentee Ballots will be mailed to all members no less than 30 days prior to the Annual Meeting. Members not able to attend must complete and sign the ballot and mail it back to the Society using the envelope provided so that it arrives in the mail at the Society at least one day in advance of the Annual Meeting. The Society is not responsible for delay of mail.

Justification: Section renumbered to fit with proposed document revisions. Proposed change to move Society away from Proxy Voting and towards an Absentee Ballot system. The Bylaws Committee feels that this change will allow for more informed and greater shareholder participation, and a more accurate share and vote counting system internally. To accommodate Special Meetings, a revision in Article VIII Section 7 states that only shareholders present at Special Meetings may vote. The Bylaws Committee feels that the discussion is very important at Special Meetings, and only shareholders who have participated in that in-person process would be able to cast an informed vote.

Section 7.

The Trustees shall appoint not less than three (3) or more than (5) eligible shareholders to exercise proxies at an annual or special meeting. This committee shall not be restricted in the number of proxies it may vote and by a majority vote shall act in the best interests of the Society.

Proposed Revisions:

Section 6. Counting Ballots and Votes

The Trustees shall appoint no less than three (3) but no more than five (5) eligible shareholders to count absentee ballots and votes at the Annual Meeting, or special meeting, to exercise proxies at an annual or special meeting. This committee shall not be restricted in the number of proxies it may vote and by a majority vote shall act in the best interests of the Society.

Justification: Section renumbered to fit with proposed document revisions. Revisions in line with others listed in the same Article, revised Section 5.

Section 8.

A special meeting of the members of the Society must be called within thirty (30) days by the President or Chairman of the Board of Trustees upon receipt of a petition signed by twenty (20) eligible shareholders. Notice and conduct of such meeting shall be the same as for the Annual Meeting. Trustees at their discretion may call a special meeting of the members on not less than fourteen (14) days notice.

Proposed Revisions:

Section 7. Special Meetings

A special meeting of the members of the Society must be called for a date within thirty (30) days by the President & CEO or Chairman of the Board of Trustees upon receipt of a petition signed by twenty (20) thirty (30) eligible member shareholders in good standing. Notice and conduct of such meeting shall be the same as for the Annual Meeting. Trustees at their discretion may call a special meeting of the members on not less than fourteen (14) days' notice. Only member shareholders in good standing present at Special Meetings are eligible to vote. Due to the circumstances under which Special

Meetings are called and the discussion that occurs in-person prior to a vote being called, Absentee Ballots are not distributed for Special Meetings and only shareholders present may vote. All other provisions for Annual Meetings apply to Special Meetings.

Justification: Revision to increase the amount of petition signers from twenty to thirty due to Bylaws Committee preference. Punctuation revision. Bylaws Committee also feels that the discussion part of the meeting is very important at Special Meetings, and only shareholders who have participated in that in-person process would be able to cast an informed vote.

Section 8. Annual Reports (moved from Article XII. Section 4)

Annual reports to the Society shall be made by the President, Treasurer and General Manager and by such other individuals as the officers and Trustees may direct.

Annual reports to the Society shall be made by the President & CEO, Treasurer and General Manager Executive Director and by such other individuals as the officers and Trustees may direct.

Justification: Suggested revision reflects current practice at the Society

Article V. Financial

In the revised document this is Article IX. Financials

Justification: Renumbering Article to fit with proposed revisions.

Section 1.

Cash assets of the Society shall be maintained in checking and savings accounts or monetary instruments in banks or similar sound institutions selected by the Treasurer with the approval of the Trustees. Checks and withdrawal slips shall be signed by the President and the Treasurer or by their respective representatives as approved by the Board of Trustees.

Listed in the revised document as Section 1. Asset Management

Justification: Titling Section to fit with proposed revisions.

Section 2.

The financial records shall be maintained by methods satisfactory to an auditor chosen by the Trustees. The financial records may be examined at any time by such an auditor or by other officers or Trustees, or at a convenient time by any member.

Listed in the revised document as Section 2. Financial Records

Justification: Titling Section to fit with proposed revisions.

Section 3.

The fiscal year shall be from the first day of January to the last day of December.

Listed in the revised document as Section 3. Fiscal Year

Justification: Titling Section to fit with proposed revisions.

Section 4.

Shares of contribution represent the free and unfettered gifts of United States dollars or goods but not services and constitute no property rights in the Society. For each ten dollars in money or goods one (1) share of contribution will be issued. These shares are non-assessable. Contributions of property other than money will be received with a valuation submitted by the donor. The Trustees may accept or reject this valuation.

Proposed Revisions:

Section 4. Shares

Shares of contribution represent the free and unfettered gifts of United States dollars or goods but not services and constitute no property rights in the Society. For each ten dollars in money or goods one (1) share of contribution will be issued. These shares are non-assessable. Contributions of property other than money will be received with a valuation submitted by the donor. The Trustees may accept or reject this valuation. Upon acceptance of the valuation by the Trustees, one (1) share of contribution shall be issued for each ten dollars of the accepted valuation.

Justification: Titling Section to fit with proposed revisions. Clarifying amount of shares allocated to accepted valuations.

Section 5.

Shares of Contribution may be held only by individual members except husbands and wives may hold them as a community. Shares may not be held by group, corporate or organizational members. There shall be no fractional shares but the Society may receive partial payments for future credit and issuance. When membership is terminated for any reason, the shares of the member shall revert to the treasury unless the Trustees at their discretion and within the provisions of this code elect otherwise. Gifts in any form from members or non-members may be received without issuance of shares. Such gifts may be credited for issuance within one year of receipt.

Proposed Revisions:

Shares of Contribution may be held only by individual members in good standing, ~~except husbands and wives~~ Legal spouses may hold them shares of contribution as a community of an individual member in good standing. Shares may not be held by group, corporate or organizational members. There shall be no fractional shares issued, but the Society may receive partial payments for future credit and issuance of full shares. When membership is terminated for any reason, the shares of the member shall revert to the treasury unless the Trustees at their discretion and within the provisions of this code elect otherwise. Gifts in any form from members or non-members may be received without issuance of shares. Such gifts may be credited for issuance of shares within one year of receipt.

Justification: Titling Section to fit with proposed revisions. Adjusting “husband” and “wives” to reflect the times. Other words added to enhance section’s clarity.

Section 6.

The Treasurer and/or Comptroller, as the Trustees shall determine, shall submit financial statements at each annual meeting and at such other times as the Trustees shall require.

Moved in the revised document to Article V Section 4., Treasurer

Justification: Moved Section in current version to earlier section to streamline Treasurer responsibilities in one Section.

New proposed section:

Section 6. Contributions In-Kind for Shares

The Board of Trustees will review the Society’s Contributions In-Kind (CIK) Policy annually. Members must submit CIKs to the Finance Committee for approval to receive shares. If shares are approved by the Finance Committee, they will be applied to the calendar year in which the CIK request was submitted. Time volunteered is not eligible for a CIK. Property, parts, artifacts and other one-of-a-kind donations must be first appraised by a third party for shares consideration.

Justification: Proposed revisions structure the CIK process at the Society. Added additional checks and balances by including Finance Committee oversight.

Article VI. Membership

In the revised document this is listed as Article X. Membership

Justification: Renumbering Article to fit with proposed revisions.

Section 1.

Membership in this Society is open to any individual interested in the aims, objectives, and purposes for which this Society was established and shall not be denied or terminated except for cause as hereunder provided. Members must pay the required fees and dues and abide by the rules and regulations governing the operations of the Society.

Listed in the revised document as Section 1. Membership Considerations

Justification: Titling Section to fit with proposed revisions.

Section 2.

The Trustees shall determine the amount of dues and fees to be paid and the methods by which paid. All dues are payable January 1, and apply only for the Calendar year. Applicants for membership shall be admitted upon payment of current dues and fees and the completion of application or other forms. Certificates of membership shall be in the form of passes for the current year. Only those members having shares of contribution are entitled to vote at an annual or special meeting. They are not otherwise privileged beyond members who do not own shares.

Membership in this Society constitutes a release of liability, agreement to abide by rules, regulations, by-laws, and the orders of lawfully constituted Society officials. Honorary or complementary memberships may be granted to persons or groups for the purpose of honor or courtesy without payment of dues by the Membership Secretary or by a vote of the Trustees.

Revised to:

Section 2. Membership Dues

The Trustees shall determine the amount of dues and fees to be paid and the methods by which they may be paid. All dues are payable by ~~January 1,~~ **March 1,** and apply only for the ~~C~~alendar year. Applicants for membership shall be admitted upon payment of current dues and fees and the completion of application or other forms. Certificates of membership shall be in the form of passes for the current year. Only those members **in good standing** having shares of contribution are entitled to vote at an ~~a~~Annual or ~~s~~Special ~~m~~Meeting. They are not otherwise privileged beyond members who do not own shares.

Membership in this Society constitutes a release of liability, agreement to abide by rules, regulations, by-laws, and the orders of lawfully constituted Society officials. Honorary or complementary memberships may be granted to persons or groups for the purpose of honor or courtesy without payment of dues. **Such grants may be made** by the Membership Secretary or by a

vote of the Trustees.

Justification: Titling Section to fit with proposed revisions. Changing date from January 1st to March 1st to alleviate the last-minute adjustments and unnecessary stress on our hard-working volunteers by having to make modifications to voting eligibility share counts at our Annual Meetings and Special Meetings due to member shareholders waiting until an hour or less before the meeting starts to pay their dues.

New Proposed Section:

Section 3. Member in Good Standing

Member in good standing is the status assigned to a member of the Society when he or she has remained current on Society dues, which must be renewed by March 1 of a calendar year to cover that calendar year. Being a member in good standing affirms the member's commitment to the vision of the Society, reflected in its Code of Conduct, to which all members are bound, and to the Society's bylaws and other Society policies. It is expected that members in good standing will work collaboratively to strengthen the Society and will not engage in any activities that put the Society in financial or structural jeopardy, nor engage in any activities that will bring discredit to the Society. Members are not in good standing if they owe money to the society, do not renew their dues by March 1, are placed on probation or suspension, or any action or inaction that places the Society at risk.

Members in good standing:

1. Are eligible to participate in all meetings and may serve on committees.
2. If shareholders, are eligible to vote at the Annual Meeting and at Special Meetings.
3. Are eligible to be appointed to the Board of Trustees or to an Administrative Officer role
4. May volunteer at the Society.
5. Are eligible for all benefits that accompany Society Membership.

Justification: A member in good standing is referred to in the current version, but it is not defined. The Society's Code of Conduct does provide a definition, so that was carried into the suggested revisions, in addition to other benefits members in good standing currently enjoy.

Section 3.

Members may be expelled or suspended from the Society by the action of the Trustees after due deliberation, for cause arising from serious offenses against the Society or from conduct and attitudes reflecting discredit on the Society. Offenses are breaches of the by-laws or of rules enacted or authorized by the Trustees. Discipline of members may consist of suspension of privileges or termination of membership. Fines may not be imposed but damage arising from carelessness may be assessed against the person responsible for the damage.

Discipline, initially, may be imposed by those officers against whose authority the offense was committed. Members may appeal to the Trustees. Action in a court of law shall be subsequent to the foregoing. Conviction in a court of law arising from offenses against the Society shall terminate membership which shall not be reinstated.

Proposed Revisions:

Section 4. Discipline of Members

Members may be expelled or suspended from the Society by the ~~action of the Trustees after due deliberation~~ Executive Director, for cause arising from serious offenses against the Society or from conduct and attitudes reflecting discredit on the Society. Offenses are breaches of the by-laws or of rules enacted or authorized by the Trustees. Discipline of members may consist of suspension of privileges or termination of membership. Fines may not be imposed but damage arising from carelessness may be assessed against the person responsible for the damage.

Discipline, initially, may be imposed by those officers against whose authority the offense was committed. Members may appeal to the President & CEO or the Chair of the Board. ~~Trustees~~. Action in a court of law shall be subsequent to the foregoing.

Conviction in a court of law arising from offenses against the Society shall terminate membership which shall not be reinstated, unless and until such conviction is vacated, annulled, or overturned. In the event of such vacation, annulment, or overturning, the Trustees may reinstate membership at their sole discretion.

Justification: The role Trustees currently play in discussing Discipline of Members in open and closed meetings is an ineffective use of their time and the Society's time. Their time should primarily be spent addressing everything listed in Article IV, Section 1. General Powers. This proposed revision is to place this administrative role on the Executive Director, President & CEO, and Chair instead.

Section 4.

Members acting as employees shall receive compensation no greater than that received by non-members for similar work. Members, when employed, shall be subject to rules and regulations in effect for employees who are not members. Repayment to a member for expenses incurred by him on behalf of the Society shall not be considered remuneration under these by-laws.

Proposed Revisions:

Section 5. Society Employees as Members

All employees of the Society receive an honorary membership during their tenure as employees. Members acting as employees shall receive compensation no greater than that received by non-members for similar work. Members, when employed, shall be subject to the rules and regulations in effect for employees who are not members. Repayment to a member for expenses they incurred by him on behalf of the Society shall not be considered remuneration under these by-laws.

Justification: The suggested revision reflects current practice of the Society.

Section 5.

Titles used on passes and badges are purely honorary and shall not convey any operating rights or privileges. Members may not act for the Society unless specifically authorized by the Trustees or an officer delegated by them. Society stationary or substitute for same may be used only by Trustees, officers, special representatives, and committees whose work necessitates official correspondence. Misuse of stationary or unauthorized correspondence in the name of the Society is cause for discipline. No member may incur an obligation for this Society unless he is specifically authorized normally by an officer having such authority, or is an officer having the authority to do so or by the Trustees.

Proposed Revisions:

Section 6. Representing the Society

Titles used on passes and badges are purely honorary and shall not convey any operating rights or privileges. Members may not act for the Society unless specifically authorized by the Trustees or an officer delegated by them. Society stationary or substitute for same may be used only by Trustees, officers, special representatives, and committees whose work necessitates official correspondence. Misuse of stationary or unauthorized correspondence in the name of the Society is cause for discipline. No member may incur an obligation for this Society unless they are he is specifically authorized normally by an officer having such authority, or is an officer having the authority to do so conferred or by the Trustees.

Justification: Section titled to fit with proposed revisions. Gender neutral pronouns are inserted, as well as a clarifying word.

Section 6.

If a member's dues remain unpaid at the Annual Meeting and after one (1) notice has been mailed, the member's privileges may be suspended. When a member's dues are two (2) years in arrears, membership shall be terminated unless the Membership Secretary decides otherwise. Dues for a member may be waived for one year at a time without prejudice at the discretion of the Membership Secretary for good cause.

Proposed Revisions:

Section 7. Dues Renewal

If a member's dues remain unpaid at the Annual Meeting and on March 1, after one (1) notice has been sent mailed, the member's privileges may be are suspended. When a member's dues are two (2) years six (6) months in arrears, membership

shall be terminated unless the Membership Secretary decides otherwise. Dues for a member may be waived for one year at a time without prejudice at the discretion of the Membership Secretary for good cause.

Justification: Suggested revisions help the Society keep a better handle on their active membership directory, and to ensure that members in arrears do not receive the same benefits as members in good standing receive.

Section 7.

Members who have resigned or been dropped for non-payment of dues and/or fees may be reinstated upon payment of the same dues or fees required of anyone joining initially as previously stated.

Proposed Revisions:

Section 8. Reinstatement

Members who have resigned or been dropped for non-payment of dues and/or fees may be reinstated upon payment of the same dues or fees required of anyone joining initially as previously stated. Reinstatement of shares previously held may only take place if the membership has lapsed by no more than two years.

Justification: Suggested revision clarifies a Section that shareholders have asked for clarification of frequently.

Section 8.

The membership of a deceased member may be taken over by a member of his immediate family, if application is made within two years. Lacking this, membership shall terminate as previously stated.

Proposed Changes:

Section 9. Deceased Member

The membership of a deceased member may be taken over by a member of their his or her immediate family, if application is made within two years. Lacking this, membership shall terminate as previously stated.

Justification: Section renumbered and titled to fit with proposed revisions. Gender neutral pronouns are used.

Section 9.

Access to and use of real and other property of the Society is the privilege of members whose dues and fees are fully paid, subject however to the established rules and regulations.

Listed in proposed revisions as Section 10. Member Access to Society Property

Justification: Section renumbered and titled to fit with proposed revisions.

Section 10.

Guests of members may be permitted to accompany members on the property of the Society. Members shall be responsible for the conduct of their guests. Children of members are permitted on this property at the risk of and in the company of such members who thereby assume all risks and responsibility for their conduct. Such guests and children must abide by the rules of the Society.

Proposed Revisions:

Section 11. Guests

Guests of members may be permitted to accompany members on the property of the Society. The number of complimentary

guests accompanying the member must not exceed the number of guest allowances the member receives per their level of membership, annually. This benefit is reviewed by the Trustees as needed. Members shall be responsible for the conduct of their guests. Children of members are permitted on this property at the risk of and in the company of such members who thereby assume all risks and responsibility for their conduct. Such guests and children must abide by the rules of the Society.

Justification: Proposed revision to counter the issue the Society faces annually of one or more member trying to abuse the guest benefits; at least one member annually attempts to bring a group that they receive compensation for of 50+ to the Society for free under the guest benefit provisions. The number of complimentary guest passes for each membership level will be established by the Trustees following the successful passage of these bylaw revisions.

Article VII. Property

Listed in revised document as **Article XI. Property**

Justification: Article renumbered to fit with proposed revisions.

Persons who own rolling stock, other equipment, or historical artifacts and who desire these to be placed upon the property of this Society shall first deed free and clear of encumbrance or permanently lease such equipment to the Society. This provision shall not forbid exhibits on a temporary loan basis under such terms as the Trustees shall determine. The Society assumes no liability for the preservation of deeded or leased equipment and will care for it in a manner similar to that used for Society owned equipment. Destruction of leased equipment, from whatever cause, allows the lessor no recovery beyond removing the remaining portions from the property within a reasonable time. Prior to placing any such equipment on the property, they must be informed of this provision by the Trustees.

No proposed changes.

Article VIII. Corporate Details

Listed in revised document as **Article XII. Corporate Details**

Justification: Article renumbered to fit with proposed revisions.

Section 1.

The by-laws of 1962 are hereby repealed and superseded by this code of by-laws.

Section removed in proposed revisions.

Justification: Removed because the bylaws amendment process is stated in other Sections, leaving this Section redundant.

Section 2.

New by-laws may be added or present ones changed or repealed only at an annual or special meeting with due notice in the call of the meeting. Consent of two-thirds (2/3) of the votes present shall prevail. Repeal or alteration of any provision of this code shall not constitute a re-enactment of any provision previously repealed.

Proposed changes:

Section 1. Amendments to the Bylaws

~~New by-laws may be added or present ones changed or repealed only~~ **These By-laws may be amended** at an ~~a~~ Annual or ~~s~~ Special ~~m~~ Meeting, **with quorum being present**, with due **written** notice in the call of the meeting. **Proposals to amend these By-laws must be reviewed by the Board of Trustees first and have at least five (5) supporting signatures from Trustees**. Consent of two-thirds (2/3) of the votes present **at such meeting** shall prevail. Repeal or alteration of any provision of these by-laws shall not constitute a restoration of any provision previously repealed.

Justification: Section renumbered to fit revised document. Proposed revision so that amendments are presented to the Trustees first prior to floor discussion at an annual or special meeting. Bylaws Amendments are significant and discussion should be thoughtful and planned.

Section 3.

In the event of any cessation of the corporate entity of this Society as a legal body, these by- laws shall govern, except where superseded by competent authority. Officers and Trustees shall remain in office.

Section 4.

Dissolution of the Society shall be effected only by the provisions of the State of Maine. Upon the dissolution of the Society, the Trustees or their successors shall, after paying or making provisions for the payment of all liabilities of the Society, dispose of the assets of the Society in such manner and to such organizations maintained and operated exclusively for historical, educational and scientific purposes as will at that time qualify as an exempt organization under Section 501 of the Internal Revenue Code or the corresponding section of a future Internal Revenue law or regulation. The institutions selected shall have, insofar as possible, aims, objectives, and purposes similar to this Society, and be the ones most qualified to conserve the assets of this Society in the public interest. There shall be no value distribution to any member of the Society. In the event that the Trustees or their successors fail to act, disposition of assets as specified in the foregoing shall be made by a court of competent jurisdiction in the county in which the principal office of the Society is located.

No part of any earnings or accrual of the Society shall inure to the benefit of or be distributable to its members, officers, Trustees, or any other private persons, except that the Society shall be empowered to pay reasonable compensation for services rendered. No substantial part of the activities of the Society shall be the spreading of propaganda, or otherwise attempting to influence legislation. The Society shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

Notwithstanding any other provisions of these by-laws, the Society shall not indulge in any other activities not permitted to be carried on by (a.) a corporation exempt from Federal Income Tax under Section 501 of the Internal Revenue Code of 1954 (or the corresponding section of a future Internal Revenue law or regulation), (b.) or by a corporation, contributions to which are deductible under under Section 170 of the Internal Revenue Code of 1954 (or the corresponding section of a future Internal Revenue law or regulation).

Sections combined in revised version to read:

Section 2. Dissolution of the Society

In the event of any cessation of the corporate entity of this Society as a legal body, these by- laws shall govern, except where superseded by competent authority. Officers and Trustees shall remain in office.

Dissolution of the Society shall be effected only by the provisions of the State of Maine. Upon the dissolution of the Society, the Trustees or their successors shall, after paying or making provisions for the payment of all liabilities of the Society, dispose of the assets of the Society in such manner and to such organizations maintained and operated exclusively for historical, educational and scientific purposes as will at that time qualify as an exempt organization under Section 501 of the Internal Revenue Code or the corresponding section of a future Internal Revenue law or regulation. The institutions selected shall have, insofar as possible, aims, objectives, and purposes similar to **those of** this Society, and be **those** ~~the ones~~ most qualified to conserve the assets of this Society in the public interest. There shall be no value distribution to any member of the Society. In the event that the Trustees or their successors fail to act, disposition of assets as specified in the

foregoing shall be made by a court of competent jurisdiction in the county in which the principal office of the Society is located.

No part of any earnings or accrual of the Society shall inure to the benefit of or be distributable to its members, officers, Trustees, or any other private persons, except that the Society shall be empowered to pay reasonable compensation for services rendered. No substantial part of the activities of the Society shall be the spreading of propaganda, or otherwise attempting to influence legislation. The Society shall not participate in or intervene in any political campaign on behalf of any candidate for public office.

Notwithstanding any other provisions of these by-laws, the Society shall not **engage in** ~~indulge~~ in any other activities not permitted to be carried **out** ~~on~~ by (a.) a corporation exempt from Federal Income Tax under Section 501 of the Internal Revenue Code of 1954 (or the corresponding section of a future Internal Revenue law or regulation), (b.) or by a corporation, contributions to which are deductible under Section 170 of the Internal Revenue Code of 1954 (or the corresponding section of a future Internal Revenue law or regulation).

Justification: Sections merged to improve document flow and renumbered to fit with document revisions. Words added or edited for clarity.

Section 6.

Annual reports to the Society shall be made by the President, Treasurer and General Manager and by such other individuals as the officers and Trustees may direct.

Section moved to Article VIII: Annual & Special Meetings, Section 8. Annual Reports

Justification: Section relocated to improve flow of document.