

# **Bylaws of Friends of Nelson, Inc.**

## ARTICLE I: NAME

The name of the corporation is Friends of Nelson. The name may be changed only by consensus of the entire Board of Directors.

## ARTICLE II: REGISTERED OFFICE

The registered office of Friends of Nelson (hereinafter “the Corporation”) shall be at 411 Bland Wade Lane Afton, VA, 22920. The corporation may have such other offices, either within or without the State of Virginia, as the Board of Directors may designate or as the business of the corporation may require from time to time.

## ARTICLE III: MAILING ADDRESS

The mailing address for the Corporation shall be P.O. Box 33, Nellysford, VA, 22958.

## ARTICLE IV: PURPOSE

- 4.1 **Mission:** Friends of Nelson is a citizen-run, community-based, membership organization dedicated to the protection of property rights, property values, rural heritage and the environment for all the citizens of Nelson County, Virginia.
- 4.2 **Nonprofit Purpose:** This Corporation is organized exclusively for educational, scientific, and literary purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended. To this end, the Corporation shall do anything necessary, proper, or advisable for the accomplishment of the aforementioned mission, and to do all other things incidental to it or connected with it that are not forbidden by the non-profit corporation statutes of the State of Virginia, or by these Articles of Incorporation. All funds, whether income or principal, and whether acquired by gift or contribution or otherwise, shall be devoted to said purposes. No part of the net earnings of the corporation shall inure to the benefit of or be distributed to its members, directors, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 4.1 hereof.

## ARTICLE V: MEMBERSHIP

- 5.1 The Corporation may refer to persons or entities associated with it as members and may confer rights upon such members. Members shall be dedicated to the purposes of this Corporation, its mission, enumerated in the Bylaws, and actively work to support this Corporation by either financial contributions or with in-kind services.
- 5.2 Members are empowered to elect the Directors as specified in Article 7.3.

## ARTICLE VI: MEETINGS

- 6.1 **Annual Meeting:** The Corporation shall hold an annual meeting to review its business and finances. The time and place of each annual meeting shall be determined at the preceding annual meeting. The time and place of the meeting shall be released to the members four weeks in advance of the meeting.
- 6.2 **Regular Meetings:** A regular meeting of the Board of Directors shall be held without other notice than this bylaw immediately after and at the same place as the annual meeting. The Board of Directors may provide, by resolution, the time and place of additional regular meetings without notice other than such resolution. The Board of Directors shall make resolution by consensus process and, failing that, by majority vote.
- 6.3 **Special Meetings:** Special meetings of the Board of Directors or of the membership may be called by the Board of Directors by resolution. The Board of Directors shall make resolution by consensus process and, failing that, by majority vote.

- 6.4 **Quorum:** A majority of the directors fixed by Article VII, Section 7.2 shall constitute a quorum for the transaction of business conducted at any annual, regular, or special meeting of the Board of Directors and/or membership, but if fewer than such majority are present at a meeting, a majority of the Directors present may adjourn the meeting without further notice.
- 6.5 **Conduct of Meetings:** At all meetings of the Board of Directors and/or membership the President, or, in his or her absence, the Vice-President, or in his or her absence a chair chosen by the Secretary, shall preside. The Secretary shall act as the recording secretary of the meeting, provided that in his or her absence the presiding officer shall appoint an attending member to act as recording secretary of the meeting.
- 6.6 **Decision Making:** The Board shall make decisions by consensus of the board members present at a meeting of the Directors. If the Board shall fail to reach consensus, then the decision shall be made by vote by a majority of the Directors present.
- 6.7 **Action Without Meeting:** The president may call for the Board to take action on a proposal via e-mail. In such a case, board members shall have 48 hours to reach consensus. A failure of a Board member to register her/his consensual vote via e-mail within 48 hours shall be considered an abstention. If the Board shall fail to reach consensus, then the decision shall be made by vote by a majority of the Directors who shall have an additional 48 hours to register her/his vote via e-mail. A failure of a Board member to register her/his vote via e-mail within 48 hours shall be considered an abstention.

#### ARTICLE VII: DIRECTORS

- 7.1 **Board of Directors:** The business and affairs of the Corporation shall be vested in and managed by a Board of Directors (hereinafter, "the Board"), which shall consist of no more than sixteen (16) and no less than four (4) members. Any member as defined in Article V is eligible to become a Director.
- 7.2 **Election and Term of Directors:** Each Director shall hold office for a term of two (2) years, with approximately half of the Directors to be elected in each calendar year. Directors may serve consecutive terms. The Board of Directors may fill vacancies due to resignation, death or removal of a director. The Initial Board of Directors shall determine the terms of the initial directors as either one or two years.
- 7.3 **Rights of Members in the Nomination and Election of Directors:** The Directors shall be selected from a slate of nominees presented by the standing Board of Directors by a vote of membership present. Any member may propose a candidate for election to the Board of Directors, but shall do so in writing addressed to the Secretary of the Board at least three weeks before the announced date of the Annual Meeting and shall provide information regarding the qualifications of such a candidate, together with a statement that the proposed candidate is a member, is willing to serve on the Board, and subscribes to the mission and policies of the Corporation. The slate of nominees shall be released to the members 10 days in advance of the annual meeting.
- 7.4 **Duties:** It shall be the duty of the Board to:
- a. Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation of this Corporation, or by these Bylaws.
  - b. Appoint, remove, employ and discharge, and prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the Corporation, except as otherwise provided in the Bylaws.
  - c. Supervise all officers, agents, and employees of the Corporation to assure that their duties are preformed properly.
  - d. Meet at such time and place as required by these Bylaws.
  - e. Register their address with the Secretary of the Corporation, and notice of meetings delivered to those addresses shall be valid notices thereof.
- 7.5 **Powers:** All corporate powers except as otherwise provided in these Bylaws and by the laws of the Commonwealth of Virginia shall be vested in and shall be exercised by the Board of Directors.

- 7.6 **Compensation:** Directors shall not receive any salary for their services as a member of the Board of Directors, but by resolution of the Board they shall be allowed reasonable advancement or reimbursement for expenses incurred in the performance of their duties.
- 7.7 **Non-Liability of Directors:** The Directors, so long as they perform their duties with care and act in good faith, shall not be personally liable for the debts, liabilities or other obligations of the Corporation.
- 7.8 **Removal and Resignation:** The Board may remove any Director by consensus process of the remaining Board members. The Director in question may not block his/her removal during the consensus process. Resignation of any Board position may be done at any time by submitting the resignation in writing to the highest Board member in the line of succession. All resignations shall be reviewed and acted upon by the remaining Board members. Unless otherwise specified in the notice, the resignation shall take effect upon the receipt thereof by the Board or such officer. The acceptance of the resignation shall not be necessary to make it effective.
- 7.9 **Vacancies:** A vacancy shall be deemed to exist in the event that the actual number of Directors is less than fourteen (14), unless the consensus decision of the previous annual meeting selects a different number of Directors within the number as described in Article VII, Section 7.1. The Board of Directors shall have power to fill vacancies in its own membership. Such new Directors shall hold office until the next annual meeting.
- 7.10 **Annual Report:** The Board of Directors shall cause the preparation of an annual report.
- 7.11 **Dissolution:** Upon termination or dissolution of the Friends of Nelson, any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986 (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation. The organization to receive the assets of the Friends of Nelson hereunder shall be selected by the discretion of a majority of the Board of Directors of the Friends of Nelson.

#### ARTICLE VIII: OFFICERS

- 8.1 **Number of Officers:** There shall be four (4) officers selected from and by consensus process of the Board. The offices shall be the offices of President, Vice President, Secretary and Treasurer. Additional offices may be created by the Board.
- 8.2 **Appointment and Terms of Office:** The officers shall be appointed to their respective position by consensus process of the Board. All officers are appointed to terms of two (2) years, with successive terms permitted.
- 8.3 **Vacancies:** In the event of the death or resignation of the President, the Vice President shall serve as interim President until such time as the Board appoints a new President from its remaining membership. Should the Vice President be unable to serve as interim President, the Secretary shall assume the interim responsibilities. In the event that the Secretary is unable to assume the responsibilities of the President, then the interim President shall be the Board member with the most seniority. Should any other office be vacated the same line of succession is to be observed for the purposes of assuming interim responsibilities, and similar procedures are to be followed for purpose of selecting replacements for any Board member whose functions change as a result of filling the vacancy. Any Board member serving in an interim position as a result of a vacancy shall continue to assume responsibility for his or her original position until a replacement has been selected.
- 8.4 **President:** The President shall perform the usual duties of this office. The President shall be the principal executive officer of the Corporation and, subject to the control of the Board of Directors. The President shall preside at all meetings of the Corporation, membership, and/or the Board. The President has the authority to issue checks or drafts upon the Corporation's funds. The President may delegate duties to other Board members as necessary to carry out the activities of the Corporation. The President shall be the primary spokesperson for the Corporation and act as a liaison between the general public and the Corporation.
- 8.5 **Vice President:** The Vice President shall perform the usual duties of this office including assuming interim duties of the President in the absence of the President, and he or she shall perform such other duties as may be assigned to him/her by the President or the Board of Directors.

- 8.6 **Secretary:** The Secretary shall perform the usual duties of this office including recording the minutes of each meeting of the Board of Directors and ensuring that all notices are duly given in accordance with these Bylaws or as required by Law. The Secretary's duties shall also include maintaining the membership list and the Corporation mailings.
- 8.7 **Treasurer:** The Treasurer shall perform the usual duties of this office. The Treasurer shall have custody and be responsible for all funds and securities and maintain an account of all receipts and disbursements for the Corporation. The Treasurer will receive and give receipts for monies due and payable to the Corporation for any source whatsoever, and deposit all such monies in the name of the Corporation into such banks, trust companies, or other depositories that the Board selects. The Treasurer has the authority to issue checks or drafts upon the Corporation's funds. In the event of absence or inability of the Treasurer these duties shall be temporarily assumed by the President. At the beginning of each fiscal year the Treasurer shall submit an operating budget to the Board and is subject to Board approval.
- 8.8 **At-Large Board Members:** At-Large Board Members are expected to represent the interests of the general membership at all meetings of the Board and to participate in activities undertaken by the Board.
- 8.9 **Executive Committee:** Day to day activities of the Corporation shall be coordinated by the Executive Committee. The Executive Committee shall consist of the elected officers of the Corporation and one "at large" member from the Board of Directors. The Executive Committee shall be empowered to make decisions that do not require action by the entire Board of Directors and may not take action that is the sole responsibility of the Board as specified in Article 7. The Executive Committee shall make decisions by consensus.

#### ARTICLE IX: PAID STAFF

The Board of Directors may appoint paid staff members of the organization, fix compensation, prescribe duties and terms of employment upon recommendation from organization staff members.

#### ARTICLE X: AGENTS & REPRESENTATIVES

The Board may appoint such agents and representatives of the Corporation with such powers and to perform such acts or duties on behalf of the Corporation as the Board may see fit, so far as may be consistent with these Bylaws and to the extent authorized or permitted by law.

#### ARTICLE XI: EXECUTION OF INSTRUMENTS, DEPOSITS, AND FUNDS

- 11.1 **Execution of Instruments:** The Board, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit, or to render it liable monetarily for any purpose or in any amount.
- 11.2 **Deposits:** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories at the Board may select.
- 11.3 **Gifts:** The Board may accept on behalf of the Corporation any contribution, gift, bequest or devise for the charitable, educational or public purposes of this Corporation.

#### ARTICLE XII: CORPORATE RECORDS AND REPORTS

- 12.1 **Corporate Records:** The Corporation shall keep in its permanent records:
- a. Minutes of all meetings of Directors, committees of the Board, and of all meetings of members, the names of those present and the proceedings thereof.
  - b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, and disbursements.
  - c. A record of its members indicating their names and addresses.

- d. A copy of the Corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members of the Corporation at all reasonable times.

12.2 **Director's Inspection Rights:** Every Director shall have absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Corporation.

12.3 **Annual Report:** The Board shall cause an annual report to be furnished not later than one hundred twenty (120) days after the close of the Corporation's fiscal year to all Directors of the Corporation. The report shall contain the following information in appropriate detail:

- a. The assets and liabilities of the Corporation as of the end of the fiscal year.
- b. The principal changes in assets and liabilities during the fiscal year.
- c. The revenue or receipts of the Corporation, both restricted and unrestricted to particular purposes, for the fiscal year.
- d. The expenses or disbursements of the Corporation, for both general and restricted purposes, during the fiscal year.
- e. A general telling of the fiscal year's campaigns, activities, and efforts as reported to the Board of Directors by Directors, members, officers, or paid staff of the Corporation.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation.

#### ARTICLE XIII: FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each calendar year.

#### ARTICLE XIV: PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

No member, director, officer, employee, committee member or other person connected with this Corporation, or any other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operation of the Corporation; provided, however, that this shall not prevent payment to any such person of any reasonable compensation for services performed for the Corporation in effecting any of its purposes as shall be fixed by the Board; and no such person or persons shall be entitled to share in the distribution of the corporate assets upon the dissolution of the Corporation.

#### ARTICLE XV: EXEMPT ACTIVITIES

Notwithstanding any other provision of these Bylaws, no member, director, officer, employee or other representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1954 as amended and the regulations promulgated thereunder as they now exist or as they may hereafter be amended, or by an organization's contributions to which are deductible under Section 170(c)(2) of such Code and regulations as they now exist or as they may hereafter be amended.

#### ARTICLE XVI: NON-DISCRIMINATION

16.1 No person shall be denied membership in the Corporation or be excluded from serving or being served by the Corporation because of race, color, sex, creed, sexual orientation, national ancestry, national origin, age, marital status, or physical disability.

16.2 There shall be no discrimination by the Corporation on the basis of race, color, sex, creed, sexual orientation, national ancestry, national origin, age, marital status, or physical disability with regards to hiring, assignment, promotion, or other conditions of staff employment, or with respect to members being selected for the Board of Directors.

#### ARTICLE XVII: CONFLICT OF INTEREST

The Board of Directors shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement that may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

ARTICLE XVIII: INDEMNIFICATION

Each director and officer of this Corporation shall be indemnified to the fullest extent permitted by Virginia Law.

ARTICLE XIV: AMENDMENTS TO THE BYLAWS

The Board of Directors shall have power to make, amend, alter and repeal the Bylaws of the Corporation by consensus at any meeting or reasonable time that they may see fit. No amendment shall be retroactive.

Adopted by the incorporators of Friends of Nelson, on the 23<sup>rd</sup> day of September, 2014.