

**BY-LAWS
OF THE
BEDFORD EDUCATION FOUNDATION**
As amended at a Board Meeting December 17, 2007

**ARTICLE I
NAME AND OFFICES**

The name of this corporation shall be the Bedford Education Foundation (hereinafter the "Corporation"). It shall be a non-profit corporation organized pursuant to NH R.S.A. Chapter 292. The principal office of the Corporation shall be in Bedford, New Hampshire, or such other place as may be determined from time to time by the Board of Directors.

**ARTICLE II
MEMBERSHIP**

The corporation shall not have any members.

**ARTICLE III
BOARD OF DIRECTORS**

Section 1. General Powers. The property, affairs and business of the Corporation shall be controlled and managed by the Board of Directors. Without limiting the generality of the foregoing, such control shall include the power to: manage the activities, property and affairs of the Corporation and shall determine the manner in which the funds of the corporation, both principal and income, shall be applied within the limitations of the Corporation's Articles of Agreement, these By-laws, the Internal Revenue Code of 1986, as amended, (the "Code"), and Chapter 292 of the N.H. R.S.A., as amended; hire all employees, whether professional, clerical and secretarial; enter into employment agreements with employees when deemed advisable; determine levels of employee compensation, including wages, salaries, bonuses and other fringe benefits; terminate the employment of an employee; determine condition of employment, including hours of work, work responsibility, vacation time, and sick leave; authorize the purchase or rental of property; and determine all policies of the Corporation with regard to the conduct of the business of the Corporation. The Board of Directors may from time to time delegate particular responsibilities to specified officers or Committees of the Corporation as it shall deem advisable. They may adopt such rules and regulations for the conduct of their meeting and the management of the Corporation not inconsistent with these By-Laws, the Corporation's Articles of Agreement, or the laws of the State of New Hampshire as they may deem proper.

Section 2. Number and Qualifications. The Board of Directors shall consist of not more than fifteen (10) and not less than five (5). Directors shall be Bedford residents with interest in

the Bedford Education Foundation, with the exception that one member may reside in a town other than Bedford.

Section 3. Voting. Each Director shall have the full right to vote and participate in the management and affairs of the Corporation.

Section 4. Election. One-third (1/3) of the Director positions shall be elected each year for three (3) year terms, such that over the course of any given three (3) year period there shall have been an election for each Director position. The Board of Directors shall nominate a slate of Directors each year prior to the annual meeting of the Corporation. The Board of Directors of the Corporation shall be notified of the nominees in the notice of each annual meeting of the Corporation. The Directors of the Corporation shall vote on and elect the new Directors at the annual meeting of the Corporation.

Section 5. Term of Office. The term of a member of the Board of Directors shall be three (3) years commencing on June 30th following the meeting at which the Director is elected and ending at the annual meeting coterminous with the end of the Director's term three years later, provided, however, that the terms of the initial Board designated shall be distributed among one, two, and three year terms, as set by the Board in order to assure continuity in Director succession and leadership. Directors shall not be able to serve more than two (2) consecutive complete terms, with a maximum length of service of eight (8) years if an individual was appointed to fill a vacancy on the Board of Directors prior to being duly elected to serve as a Director. If immediately following the last year of a Director's second term, such individual is elected to an officer position, then such individual shall be allowed to retain the status of a Director for one (1) year to enable such individual to serve in the officer position. The individual Board members shall continue to serve until a successor member is appointed by the remaining Board members or until a Board member is unable or unwilling to serve.

Section 6. Quorum and Manner of Acting. A quorum of the Directors shall be required to transact any business. A majority of the total number of Directors then holding office shall constitute a quorum for the transaction of business at any meeting except where otherwise provided by statute, the Corporation's Articles of Agreement or these By-Laws. Less than a quorum may adjourn the meeting. At all meetings of the Board of Directors, each Director present shall have one (1) vote. At all meetings of the Board of Directors, all questions, the manner of deciding which is not specifically regulated by statute, by these By-Laws or by the Corporation's Articles of Agreement, shall be determined by a majority of the Directors present at the meeting.

Section 7. Books and Records. The correct and complete books and records of account and minutes of the proceedings of the Board of Directors shall be kept by the Secretary of the Corporation.

Section 8. Meetings. The annual meeting of the Board shall be held in the month of June at such place and time as determined by the Board. Regular and special meetings of the Board,

or any committee thereof, shall be called by the Chair or at the request of two-thirds (2/3) of the membership of the Board and shall be held at such time and place as may be set forth in the notice thereof, provided that at least five (5) days' advance notice (in writing) of every meeting shall be given to each Director or member of a committee. Such notices shall be sent to the addresses (home or e-mail) shown on the records of the Corporation. Any Director may waive notice of a meeting by an instrument in writing filed with the records of the meeting or attendance at the meeting without protest.

Section 9. Resignations. Any Director of the Corporation may resign at any time by giving written notice to the Chair or to the Secretary of the Corporation. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10. Removal of Directors. Any Director may be removed, either with or without cause, at any time, by a majority vote of the Directors, at a duly called meeting of the Directors of the Corporation.

Section 11. Vacancies. If a vacancy occurs in the Board of Directors caused by death, resignation or removal, the Directors shall fill it by appointment and in accordance with these By-laws, the appointee to serve until the next Annual Meeting and election; they shall in the same manner fill vacancies in any committee, the appointee to serve until his successor shall be appointed.

Section 12. Compensation. Directors shall not receive any compensation for attendance at regular or special meetings or for services rendered to the Corporation, but may be reimbursed for actual expenses incurred incidental to services performed for the Corporation.

Section 13. Directors' Participation in Meeting By Telephone. A Director may participate in a meeting of the Board of Directors by means of conference telephone or similar communication equipment enabling all Directors participating in the meeting to hear one another. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 14. Directors' Action Without Meeting. If all the Directors entitled to vote and then holding office severally or collectively consent in writing to any action taken or to be taken by the Corporation, then such action shall be valid as though it had been authorized at a meeting of the Board of Directors. The Secretary shall file such consent or consents with the minutes of the meetings of the Board of Directors.

ARTICLE IV OFFICERS

Section 1. Number. The officers of the Corporation shall include a Chair, one or more Vice Chairs, a Treasurer and a Secretary who shall be the registered agent and such other officers

as the Board of Directors may from time to time deem appropriate. One person may hold the offices and perform the duties of more than one of said officers.

Section 2. Election, Term of Office and Qualifications. The officers shall be elected annually by the Board of Directors. Each officer shall hold office for a term of one (1) year and until reelected for another term or until a successor to such office shall have been elected and shall have qualified, or until the death, resignation, or removal of such officer in the manner hereinafter provided. Only Directors shall be qualified to serve in officer positions

Section 3. Removal. Any officer may be removed, by a two-thirds (2/3) majority of the Board of Directors whenever in its judgment the best interests of the Corporation will be served by such action.

Section 4. Resignations. Any officer may resign at any time by giving written notice to the Board of Directors or to the Chair or to the Secretary. Such resignation shall take effect at the time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal or any other cause shall be filled for the unexpired portion of the term in the manner prescribed in these By-Laws for election or appointment to such office.

Section 6. Chair. The Chair shall be elected by the Board and shall be the chief executive officer of the Corporation. The Chair shall preside at meetings of the Board and perform such other duties as the Board may prescribe. The Chair shall be a member of the Board. The Chair shall have all powers as may be reasonably construed as belonging to the chief executive of a nonprofit corporation and shall, unless otherwise approved by the Board, have the sole authority to incur indebtedness and other monetary obligations on behalf of the Corporation up to, but not exceeding \$1,000, have the sole authority to pledge, mortgage and encumber the properties and assets of the Corporation up to, but not exceeding \$1,000, have the sole authority to purchase real property or personal property having a value up to, but not exceeding \$1,000 on behalf of the Corporation and have the sole authority to sell or otherwise dispose of real property of the Corporation and personal property having a value up to, but not exceeding \$1,000.

Section 7. The Vice Chairs. Each Vice Chair shall have such powers and perform such duties as the Board of Directors may from time to time prescribe. At the request of the Chair, or in case of the Chair's absence or inability to act, any Vice Chair may act in the Chair's place, and when so acting shall have all the powers and be subject to all the restrictions of the Chair.

Section 8. The Secretary. The Secretary, who shall be an inhabitant of the State of New Hampshire and shall keep an office therein, shall be the registered agent of the Corporation; shall keep or cause to be kept in books provided for the purpose the minutes of the meetings of the Board of Directors; shall see that all notices are duly given in accordance with the provisions of these By-Laws and as required by law; and in general, shall perform all duties incident to the office of Secretary and such other duties as may, from time to time, be assigned to him or her by the Board of Directors or by the Chair.

Section 9. The Treasurer. The Treasurer shall be the financial officer of the Corporation; shall have charge and custody of, and be responsible for, all funds of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies or other depositories as shall be selected by the Board of Directors; shall receive, and give receipts for, moneys due and payable to the Corporation from any source whatsoever; and in general, shall perform all the duties incident to the office of

Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Directors or by the Chair.

Section 10. Compensation. Officers shall not receive any compensation for attendance at regular or special meetings or for services rendered to the Corporation, but may be reimbursed for actual expenses incurred incidental to services performed for the Corporation.

ARTICLE V COMMITTEES OF BOARD OF DIRECTORS

Section 1. Designation; Vacancies. The Board of Directors, by a resolution passed by a majority of the whole Board, may designate such number of persons, including Directors and non-Directors, as it may from time to time determine, to constitute a committee for a specified purpose, each committee member of which, unless otherwise determined by the Board, shall continue to be a member thereof at the pleasure of the Board of Directors. The Board of Directors shall have power at any time to change the members of any committee, to fill vacancies, and to discharge any committee.

Section 2. Powers. Each committee appointed by the Board of Directors shall be subject to the Board of Directors and report to the Board of Directors as directed by the Board of Directors. No committee shall have authority to act on its own behalf or on the Corporation's behalf without the prior express direction of the Board of Directors. No committee shall have authority to bind the Corporation in any manner without the prior express approval of the Board of Directors.

Section 3. Procedure; Meetings; Quorum. Each committee shall make its own rules of procedure and shall meet at such times and at such place or places as may be provided by such rules or by resolution of the committee. A majority of the whole number of the members of each committee shall constitute a quorum at any meeting thereof, and the act of a majority of those present at a meeting at which a quorum is present shall be the act of the committee. The Board of Directors shall have power at any time to change the members of any committee, to fill vacancies, and to discharge the committee.

Section 4. Compensation. Members of the committees of the Board of Directors shall not receive any compensation for their services as members of such committees, but may be reimbursed for actual expenses incurred incidental to services performed for the Corporation.

**ARTICLE VI
CONTRACTS, CHECKS, NOTES, ETC.**

Section 1. Execution of Contracts. All contracts and agreements authorized by the Board of Directors, and all checks, drafts, notes, bonds, bills of exchange and orders for the payment of money shall, unless otherwise directed by the Board of Directors, or unless otherwise required by law, be signed by any two of the following officers: Chair, Vice Chair, Treasurer or Secretary. The Board of Directors may, however, authorize any one of said officers to sign checks, drafts and orders for the payment of money singly and without necessity of countersignature, and may designate officers and employees of the Corporation other than those named above, or different combinations of such officers and employees, who may, in the name of the Corporation, execute checks, drafts, and orders for the payment of money on its behalf.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no negotiable paper shall be signed in its name unless authorized by resolution of the Board of Directors. When authorized by the Board of Directors, any officer may effect loans and advances at any time for the Corporation from any bank, trust company or other institution, or from any firm, corporation or individual, and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of the Corporation and, when authorized so to do, may pledge, hypothecate or transfer any securities or other property of the Corporation as security for any such loans or advances. Such authority may be general or confined to specific instances.

**ARTICLE VII
SEAL**

The Corporation shall not have a corporate seal unless and until such time as the Board of Directors determines that there is a need for one.

**ARTICLE VIII
FISCAL YEAR**

The fiscal year of the Corporation shall be fixed by the Board of Directors.

**ARTICLE IX
WAIVER OF NOTICE**

Whenever any notice is required to be given to any Member or Director by these By-Laws or the Articles of Agreement or the laws of the State of New Hampshire, a waiver of the notice in writing, signed by the person or persons entitled to the notice,

whether before or after the time stated therein, shall be deemed equivalent to giving the notice.

ARTICLE X AMENDMENTS

These By-Laws may be altered, amended, repealed or supplemented, subject to appeal or change by a two-thirds majority vote of the Directors, by a majority vote of the full Board of Directors, at any meeting or special meeting of the Board of Directors called for the purpose, provided that notice of the proposed change is given in the notice of the meeting.

ARTICLE XI INDEMNIFICATION

Each Director and Officer shall be indemnified by the Corporation against personal liability to the Corporation for monetary damages for breach of fiduciary duty as a Director or Officer or both, except with respect to:

1. Any breach of the Director's or Officer's duty of loyalty to the Corporation;
2. Acts or omissions which are not in good faith or which involve intentional misconduct or a knowing violation of the law; or
3. Any transaction from which the Director or Officer derived any improper personal benefit.

**ARTICLE XII
DISSOLUTION**

Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provisions for the payment of all liabilities of the Corporation, distribute all assets of the Corporation to or for the benefit of such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at any time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed of by the Superior Court of the County in which the principal office of the Corporation is then located exclusively for such purposes or to such organization or organizations as said court shall determine which are organized and operated for such purposes.

**ARTICLE XIII
NON DISCRIMINATION**

The Corporation shall not discriminate against any person in any manner on the basis of sex, age, religion, handicap or ethnic origin.

**ARTICLE XIV
CONFLICTS OF INTEREST**

Section 1. Pecuniary Benefit Transaction

A. Any possible conflict of interest or any Pecuniary Benefit Transaction (as defined in RSA 7:19-a) on the part of any officer or Director of the corporation shall be disclosed in writing to the Board and made a matter of record. A Pecuniary Benefit Transaction shall be prohibited unless it is in the best interest of the corporation and unless all of the following conditions are met:

1. The transaction is for goods and services purchased, or benefits provided, in the ordinary course of the business of the corporation for the actual or reasonable value of the goods or services or for a discounted value, and the transaction is fair to the corporation;

- (a) The transaction is approved by a two-thirds (2/3) majority of the disinterested Directors.
 - i. After full and fair disclosure of the material facts of the transaction to the Board and after notice and full discussion of the transaction by the Board;
 - ii. Without participation, voting, or presence of any Director, officer, or Director with a Financial Interest (as define din RSA 7:19-a) in

the transaction, or who has had a Pecuniary Benefit Transaction with the corporation in the same fiscal year, except as the Board may require to answer questions regarding the transaction; and

- iii. A record of the action on the matter is made and recorded in the minutes of the Board. The minutes of the meeting shall reflect that a disclosure was made; that the interested officer or Director and all other officers and Directors with a pecuniary transaction with the corporation during the fiscal year were absent during both the discussion and the voting on the transaction; and the actual vote itself.

2. The corporation will maintain a list disclosing each and every Pecuniary Benefit Transaction, including the names of those to whom the benefit accrued, and the amount of the benefit, and will keep such list available for inspection by the Board and contributors to the corporation. The list will also be reported to the New Hampshire Director of Charitable Trusts each year as part of the corporation's annual report required under RSA 7:28;

3. If the transaction, or the aggregate of transactions with the same Director, officer, or Director within one physical year, is in the amount of \$5,000.00 or more, the corporation will publish notice thereof in a newspaper of general circulation in the community in which the corporation's principal New Hampshire office is located and will give written notice to the New Hampshire Trustee of Charitable Trusts, before consummating the transaction. At a minimum, such notice will state that it is given in compliance with RSA 7:19-a and shall include the name of the corporation, the name of any Director, officer, or Director receiving pecuniary benefit from the transaction, the nature of the transaction, and the specific dollar amount of the transaction.

4. Every Director, officer, or Trustee, or member of the immediate family of such Director, officer, or Trustee, who engages in a Pecuniary Benefit Transaction with the corporation, shall provide copies of all contracts, payment records, vouchers, other financial records or other financial documents at the request of the New Hampshire Trustee of Charitable Trusts in accordance with RSA 7:24.

5. The corporation shall not lend money or property to its Directors, officers, or Directors. Any Director, officer, or Trustee who assents to or participates in the making of any such loan shall be jointly and severally liable to the corporation for the amount of such loan until it is repaid.

6. The corporation shall not sell, lease for a term of greater than five years, purchase, or convey any real estate or interest in real estate to or from an officer, Director, or Trustee without the prior approval of a New Hampshire Probate Court after a finding that the sale or a lease is fair to the corporation. However, this paragraph shall not apply to a bona fide gift of an interest in real estate to the corporation by a trustee, officer, or Trustee of the corporation.

7. A pecuniary benefit transaction undertaken in violation of these provisions is voidable by the corporation.

Section 2. Notice and Agreement

Every new officer or Director shall be advised of this conflicts provision upon assuming the duties of his or her office, and shall sign a statement acknowledging his or her understanding of and agreement to this conflicts provision.

**ARTICLE XV
TAX EXEMPT STATUS**

These By-laws of the Corporation shall at all times be so construed and limited as to enable the Corporation to qualify and to continue qualifying as a voluntary charitable corporation duly organized and existing under the provisions of Chapter 292 of the Revised Statutes Annotated of the State of New Hampshire, as amended, and as a tax exempt charitable organization organized and operated for any purpose for which an organization may be exempt under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

Secretary