

FRIENDS OF THE OUTLET, INC.

ByLaws

(Approved by the Board of Directors at its Regularly Scheduled Monthly Meeting March 26, 2016)

(Approved by the Members at the Annual Membership Meeting April 27, 2016)

Version March 16, 2016 Amended at the Annual Meeting April 24, 2019

Article I

Name and Location

Section 1. The name of this organization is the Friends of the Outlet, Inc., (herein referred to as “The Friends” or “the Organization”).

Section 2. There is no formal office location for the Friends but the current legal mailing address is Friends of the Outlet, Inc., PO Box 65, Dresden NY 14441. The Board of Directors (herein referred to as the Directors or the Organization) has full power and authority to identify meeting places and times at any location that is convenient to a majority of the Board. The Friends may also have or establish offices at such other places as the Board may from time to time designate.

Section 3. The property owned, preserved, and managed by the Friends is known as “The Keuka Lake Outlet Preservation Area” and includes a number of parcels along the Keuka Lake Outlet Trail beginning east of Cherry Street in the village of Penn Yan, NY and following along and near the Trail to the Dresden Trailhead adjacent to the west side of the railroad tracks crossing Seneca Street. The legal descriptions of property owned by the Friends can be found on file at the Yates County Office of the Historian and the Yates County Clerk’s Office at 417 Liberty Street, Penn Yan NY 14527. A general overview map of the property can be found at: <http://keukaoutlettrail.org/4.html>.

Article II

Purposes

The Friends is organized exclusively for charitable, educational, recreational, historic preservation, and scientific purposes as defined in (1) Section 501(c)(3) of the *Internal Revenue Code* of 1954, as amended and in the New York State *Nonprofit Revitalization Act of 2013* (taking effect July 1, 2014). The purposes of the Friends shall include power and authority to acquire and preserve natural resources and wildlife areas for the use and enjoyment of present and future generations, to preserve and protect historic sites, to educate the public about the wise use of natural resources, and to work with other organizations having similar purposes. Specific purposes of the Friends include:

1. Preserve the natural features and beauty of the Keuka Lake Outlet Preservation Area.
2. Protect the historic and archaeological sites located within the area;
3. Prevent water, air, land and noise pollution within the area;
4. Encourage natural, physical, outdoor and historic oriented recreation within the area;
5. Encourage and support outdoor and historical education related to the area;
6. Determine sources and seek commitments for funds from other bodies and organizations, both public and private, in connection with the acquisition of rights in and development of the area;
7. Actively seek to acquire rights in lands and waters, including title, easements and the like to make additional property available for public use;
8. Promote and communicate knowledge about the Outlet Trail, its history, and other information through writings, publications, and other means both written and electronic; and
9. Encourage appropriate sustainable development that supports the above goals.

The Directors may revise, update, or edit these purposes and activities of the Friends as needed and as appropriate.

Article III

Members

Section 1. Any individual who meets the qualifications for Membership, or a type of membership, as established by the Board of Directors from time to time shall become a Member upon payment of the annual dues.

Section 2. Annual membership dues shall be from February 1 to January 31. The dates of the membership year may be changed upon a majority vote of the Board.

Section 3. The Board of Directors, by an affirmative vote of two thirds of all Directors, may suspend or expel a Member for cause. Any Member may resign by filing a written resignation with the President or Secretary.

Article IV

Meetings of Members

Section 1. The annual meeting of the Members shall be held annually, at such date, time and place as the Directors may select, for the purpose of the annual election of Directors whose terms have expired and for the transaction of such other business as may come before the meeting. A majority of the votes cast shall be sufficient for the election of Directors. In the event no Director receives such a majority on the first ballot, there shall be a second ballot between the two candidates receiving the greatest number of votes. In the event that there is more than one position to be filled for a Director having the same term of office, and the nominees for such positions exceed the number of such positions, each such position shall be filled successively by separate election with a staggered term of service.

Section 2. Special meetings of the Members may be called by the President or may be called by written request of at least five Directors or not less than seven Members.

Section 3. Notice stating the place, date and hour of the annual meeting or any special meeting of Members shall be sent to the Members via United States Postal Service and/or by electronic means. Such notice shall be mailed not less than twenty-one days before the date of an annual meeting, and no less than ten business days prior to any special meeting, by or at the direction of the President or persons calling the meeting. The purpose or purposes of the meeting and the meeting agenda shall be stated in the notice. Absentee ballots may be submitted if postmarked at least ten days prior to the date of the membership meeting.

Section 4. The Members present for the annual or special meetings shall constitute a quorum.

Section 5. Each Member shall be entitled to one (1) vote, and there shall be no voting by proxy. Elections shall be by voice vote, unless a Member should request a written ballot.

Section 6. Any Member may present business related to the Friends or the Trail at the Annual Meeting.

Article V

Officers

Section 1. The Officers of the Friends shall be a President, a Vice President, a Secretary, a Treasurer and a Director of Electronic Communication. All Officers must be Members and Directors. The Officers shall be elected at the first organizational meeting of the Board, which will be held immediately after the annual membership meeting. Officers will be elected for a term of one year and each shall serve until a successor is elected and qualifies. Officers may serve for no more than three one year terms.

Section 2 Except as otherwise provided in Section 5 of this Article, in case of the temporary absence or inability to act of an Officer, the President with a majority approval from the Directors may appoint a Member in accordance with these Bylaws to perform the duties of such Officer during such absence or inability to act.

Section 3. A vacancy in any office because of death, resignation, disqualification, conflict of interest, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term. Any Officer may be removed, with or without cause, at any time by majority vote of the Board of Directors.

Section 4. The President shall be the principal executive Officer of the Friends and shall, in general, supervise and control all of the business and affairs of the Organization. She/He shall preside at all meetings of the Members and of the Board of Directors. She/He may sign, with the Treasurer, or any other proper Officer of the Organization authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws or by statute to some other Officer or agent of the Organization and in general she/he shall perform all duties incident to the office of President and such duties as may be prescribed by the Board of Directors from time to time.

Section 5. In case of the absence or inability to act of the President, or by express delegation of the President, the Vice President may assume the responsibilities of the President until such time as the absence or inability of the President ceases or the period specified by the President terminates, and during such period the Vice President shall perform the duties normally assigned to the President. The Vice President shall have such other duties as may from time to time be assigned by the President or Board of Directors.

Section 6. The Treasurer shall, subject to the direction of the Board of Directors, have general charge of the financial affairs of the Organization and shall accept and disburse monies and cause to be kept accurate books of account. The Treasurer will present regular and timely updates and status reports of the Organization's books of accounts and may use appropriate electronic means to maintain those books of accounts. She/He shall be responsible for custody of all funds, securities and valuable documents of the corporation, except as the Directors may otherwise provide. The Treasurer shall perform such other duties and have such other powers as the Board of Directors may designate.

Section 7. The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors in one or more books or electronic files and/or appropriate postings on the Organization's website; see that all notices are given in accordance with the provisions of these bylaws; keep a register of the post office address and email addresses (as available) of each Member and contributor; and in general perform all such duties incident to the office of Secretary and such other duties as may from time to time be assigned to her/him by the President or by the Board of Directors.

Section 8. The Director of Electronic Communication has the responsibility to maintain and update the Friends' website; to keep that website informative and useful to the members and the Board; to utilize that website and various types of social and other media to stay in touch with members (and others) and to make it easy for members to want to stay in touch with the Friends; to strive to use current technology and applications to improve the website and communication with members and others; and from time to time conduct evaluations and usability studies as a basis for improving the website and the various types of electronic communication.

Section 9. The Board of Directors may hire other individuals to act on behalf of the Organization, including such as an Executive Director, and all such persons shall perform such duties and have such powers as may be designated from time to time by the Board of Directors.

Article VI

Board of Directors

Section 1. There shall be no more than 19 positions on the Board of Directors and it is preferred that the total number of Directors is an odd number to avoid tie votes. The Directors will determine by majority vote the overall size of the Board. The term of office shall be for a period of three years and until a successor is elected and qualifies. The terms should be staggered such that there is some continuity of membership. No Director may serve for more than two consecutive full terms, but a Director may be reelected to the Board after an absence of one year. Members of the Board of Directors do not receive any salary compensation but may be reimbursed for expenses with a prior approval of the President or Treasurer. Directors must be members in good standing.

Section 2. The Board of Directors shall meet as often as it considers necessary to transact the business of the Organization. Meetings may be called by the President, by the Secretary, or by one-third the number of Directors. Notice of the date, time, place and purpose of such meeting shall be given to all Directors at least five days in advance of such meeting. Directors may participate in meetings in person or by conference call or video conferencing or by any means through which all persons participating in the meeting can communicate with each other at the same time. Unless otherwise specified in the notice, any and all business may be transacted at any meeting of the Board. A majority of the Board of Directors shall constitute a quorum.

All votes by the Board of Directors shall be by voice without a written ballot unless a written ballot should be requested by a member of the Board. The President, and in her/his absence the Vice President, shall preside at all meetings of the Board of Directors. In the event of the absence of both, the Directors present shall elect one among them to preside at said meeting. Actions by the Board of Directors may be taken electronically by majority consent without a formal meeting.

Section 3. The Board of Directors shall have the control and management of the affairs, business and property of the Friends. In addition to exercising all the powers conferred upon them as set forth by these bylaws or Articles of Organization, the Board of Directors may exercise all of the powers of the Organization, and do all such lawful acts and things as are not by statute or by these bylaws vested in or required to be exercised or done by the Members. Without limiting its general power, the Board of Directors shall have the following expressed powers and duties:

1. Supervision of the various activities of the Organization.
2. The approval of any proposed changes in the bylaws before such said changes shall be submitted to the Members for action.
3. The filling of all vacancies in the personnel of Directors or Officers in the event of any such vacancy. Directors and Officers elected to fill a vacancy shall serve until the end of the term for the vacancy being filled.
4. The establishment of any committee that may be deemed desirable to facilitate the purposes of the Organization, and the supervision of the activities of said committee.

Section 4. The Friends fully support the New York State Open Meeting Laws and encourages members, and the public, to attend Board of Director meetings. From time to time the Board may wish to convene a Board meeting or a portion of a Board meeting to include an Executive Session attended only by Directors. An Executive Session of a Board meeting can be called (1) at a current meeting or (2) as a separate meeting with the agreement of a majority of the Directors and with three days notice. Directors may participate in such Executive meetings electronically.

Section 5. Indemnification of Directors, Officers, Employees and Agents. The Friends shall, to the extent legally permissible by New York General Corporation Law, indemnify each person who may serve or who has served at any time as a Director, Officer, employee, volunteer or agent of the organization against all expenses and liabilities, including, without limitation, counsel fees, judgments, fines, excise taxes, penalties and settlement payments, reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative (a "proceeding") in which she/he may become involved by reason of her/his serving or having served in such capacity (other than a proceeding

voluntarily initiated by such person unless he is successful on the merits and the proceeding was authorized by a majority of the full Board); provided that no indemnification shall be provided for any such person with respect to any matter as to which she/he shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the Organization; and further provided that any compromise or settlement payment shall be approved by the Friends in the same manner as provided below for the authorization of indemnification. Such indemnification may, to the extent authorized by the Board, include payment by the Friends of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if she/he shall not be entitled to indemnification under this Section which undertaking may be accepted without regard to the financial ability of such person to make repayment.

The payment of any indemnification or advance shall be conclusively deemed authorized by the Friends under this Section, and each Director and Officer of the Friends approving such payment shall be wholly protected, if:

- (i) the payment has been approved or ratified by a majority vote of a quorum of the Directors consisting of persons who are not at that time parties to the proceeding; or
- (ii) the action is taken in reliance upon the opinion of independent legal counsel (who may be counsel to the Friends) appointed for the purpose by vote of the Directors in the manner specified in subparagraph (i) or, if that manner is not possible, appointed by a majority of the full Board of Directors then in office; or
- (iii) the Directors have otherwise acted in accordance with the standard of conduct applicable to directors under New York State General Corporate Law and the Not for Profit Revitalization Act of 2013; or
- (iv) the payment is approved by a vote of a majority of the Members or
- (v) a court having jurisdiction shall have approved the payment.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of an Indemnified Person entitled to indemnification hereunder.

The right of indemnification under this Section shall be in addition to and not exclusive of all other rights to which any person may be entitled. Nothing contained in this Section shall affect any rights to indemnification to which Indemnified Persons may be entitled by contracts or otherwise under law. This Section, as amended, constitutes a contract between the Corporation and the Indemnified Persons. No amendment or repeal of the provisions of this Section that adversely affects the right of an Indemnified Person under this Section shall apply to him with respect to his acts or omissions occurring at any time prior to such amendment or repeal without his written consent.

Article VII

Committees

Section 1. Committees shall be designated, their duties established, and their dates for service by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, Members of each such committee shall be Members of the Friends, and the President of the Friends, with advice from the Directors, shall appoint the members and chair thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever the best interests of the Organization shall be served by such removal.

Section 2. In no event shall the following powers be delegated by the Board of Directors to any committee established by it:

- a. The power to change the principal office or meeting locations of the Friends;
- b. The power to amend these Bylaws;
- c. The power to elect Officers required by law, the Articles of Organization, or these ByLaws to be elected by the Members or the Directors and the power to fill vacancies in any such offices;

- d. The power to change the number of members constituting the Board of Directors and the power to fill vacancies in the Board of Directors;
- e. The power to remove Officers from office or Directors from the Board of Directors; and
- f. The power to authorize a merger or dissolution of the Friends.

Article VIII

Contracts, Checks, Deposits and Funds

Section 1. The Board of Directors may authorize any Officer or Officers, agent or agents of the Corporation in addition to the Officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Friends, and such authorization may be general or confined to specific instances.

Section 2. All checks, drafts, or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Friends, shall be signed by such Officer or Officers, agent or agents of the Organization and in such manner as from time to time shall be determined by the Board of Directors. In the absence of such determination by the Board, such instrument shall be signed by the President and Treasurer of the Friends.

Section 3. All funds of the Friends shall be deposited and/or invested from time to time in such securities, mutual funds, banks, trust companies, or other manner as the Treasurer, subject to the direction of the Board of Directors, shall select.

Section 4. The Board of Directors may accept on behalf of the Friends any contribution, gift, bequest, land parcels or devise for the general purposes or for any special purpose of the Organization.

Article IX

Books and Records

The Friends shall keep correct and complete books and records of account and shall also keep Minutes of the proceedings of its Members, Board of Directors, and Committees, and shall keep a record giving the names and addresses of the Members entitled to vote. All books and records of the Friends may be inspected by any Member, or his agent or attorney for any proper purpose at any reasonable time.

Article X

Fiscal Year

The fiscal year of the Friends shall begin on the first day of January and end on the last day of December in each year unless otherwise designated by the Board of Directors.

Article XI

Seal

The Friends shall have a seal consisting of a circular die bearing the words, "Friends of the Outlet Trail, Inc." The Board of Directors may change the form of the seal and inscription at any time.

Article XII

Publications

Publications and reports bearing the Friends name shall be issued under the supervision of the Board of Directors. Any material concerning the activities of the Friends or any of its committees which is prepared for publication, shall be approved by the Board of Directors if such publication represents express advocacy on an issue of public interest by the Friends.

Article XIII

Insurance

The Directors may authorize the purchase and maintenance of various types of insurance on behalf of any agent of the Friends against any liability.

Article XIV

Miscellaneous Provisions

Section 1. Voting of Securities Except

as the Board of Directors may otherwise designate, the President or Treasurer may waive notice of and act on behalf of the Friends, or appoint any person or persons to act as proxy or attorney in fact for this Organization (with or without discretionary power and/or power of substitution) at any meeting of the Directors or shareholders or beneficial owners of any other corporation or organization, any of the securities of which may be held by the Corporation.

Section 2. Power to Contract with the Friends In the absence of fraud,

- (a) no contract or other transaction between the Friends and one or more of its Members, Directors, or Officers, or between the Friends and any other corporation or other organization in which one or more of the Organization's Members, Directors, or Officers are stockholders, directors, or Officers, or are otherwise interested, and
- (b) (no other contract or transaction by the Organization in which one or more of its Members, Directors, or Officers is otherwise interested, shall be in any way affected or invalidated even though the vote or action of the Members, Directors, or Officers having such interests (even if adverse) may have been necessary to obligate the Friends upon such contract or transaction; provided the nature of such interest (though not necessarily the extent or details thereof) shall be disclosed or shall have been known to at least a majority of the Directors then in office; and no Member, Director, or Officer having such interest (even if adverse) shall be liable to the Friends, or to any creditor thereof, or to any other person for any loss incurred by it under or by reason of such contract or transaction, nor shall any such Member, Director, or Officer be accountable for gains or profits realized thereon, or be disqualified from serving or continuing to serve as a Member, Director or Officer thereof. Any Member, Director, or Officer in any way interested in any contract or transaction described in the foregoing sentence shall be deemed to have satisfied any requirement for disclosure thereof to the Directors if she/he gives to at least a majority of the Directors not so interested a general notice that he is or may be so interested. Notwithstanding the foregoing, the authority granted in this Article XIV, Section 2 shall not be exercised if the effect thereof would be to cause the loss of the tax exempt status of the Friends under the Internal Revenue Code of 1986, as amended from time to time, or to subject the Organization, its Members, Directors, Officers or agents to any penalty or fine under said Code or under any other applicable law as a result of such exercise, it being the purpose of this Article XIV, Section 2 to allow only such transactions by the Friends as are not prohibited by said Code or said other applicable law such as the New York State *Not for Profit Revitalization Act of 2013*.

Section 3. Evidence of Authority A certificate by the President or Secretary as to any action taken by the Members, Directors, or any Officer or representative of the Friends shall, as to all who rely thereon in good faith, be conclusive evidence of such action.

Section 4. Ratification Any action taken on behalf of the Friends by a Director or any Officer or representative of the Friends which requires authorization by the Members or by the Board of Directors shall be deemed to have been duly authorized if subsequently ratified by the Members, if action by them was necessary for authorization, or by the Board of Directors, if action by it was necessary for authorization.

Article XV

Dissolution and Distribution of Assets

In the event of dissolution of the Friends or the termination of its organizational existence, the Board shall, upon approval of a Justice of the New York State Supreme Court, dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized or operated exclusively for charitable, educational, recreational, historical, or scientific purposes in New York State as shall at the time qualify for an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954 and its Regulations as they may now exist or as they may hereafter be amended. Any such assets not so disposed of shall be disposed of by said court for such purposes or to such organization or organizations as the court shall determine, which are organized and operated exclusively for such purposes.

Article XVI

Conflicts of Interest

Section 1. The Friends of the Outlet Inc. have approved a Conflict of Interest Policy as required by the New York State Not for Profit Revitalization Act of 2013 on March 26, 2016.

Section 2. Friends' officers, directors, committee members, and others as determined by the Board shall sign the Conflict of Interest Policy Statement as a basis to participate in Friends governance, activities, and other matters. The Secretary will maintain the signed Conflict of Interest Policy Statements in an orderly and accessible fashion.

Article XVII

Amendments to ByLaws

Provided that any amendments are not inconsistent with Article II, these bylaws may be altered, amended, or repealed and new bylaws may be adopted by a majority of the Members present at the Annual Meeting or at any special meeting of the Members, if at least fourteen (14) days written notice is given of intention to alter, amend, or repeal, or to adopt new bylaws at such meeting and such notice shall specify the language of the proposed change.