

PORTSMOUTH ATHENAEUM BYLAWS
As Adopted January 19, 1979 & Incorporating Amendments
Adopted Through January 14, 2009

ARTICLE 1

The stock of this Corporation shall be divided into a fixed number of shares, the number to be recommended by the Board of Directors and approved by the Proprietors at the Annual Meeting. The owners of said shares shall be deemed the Proprietors of the Portsmouth Athenaeum and entitled to vote at all meetings of the Corporation.

ARTICLE 2

The shares are transferable only as follows:

- A.** During life, a Proprietor may transfer his or her share to the Proprietor's spouse or family member with the approval of the Board of Directors, which shall not be unreasonably withheld.
- B.** Upon death, the share may be transferred to the Proprietor's spouse or family member with the approval of the Board of Directors, which shall not be unreasonably withheld, and if the transfer is not approved, the Board of Directors shall pre-empt the share.
- C.** A transfer fee, fixed by the Board of Directors, shall be payable on any transfer.

ARTICLE 3

The Board of Directors shall have the right and power, in accordance with these Bylaws, to issue all available (redeemed or additional authorized) shares at such price as the membership may determine. Payments for shares are non-refundable.

ARTICLE 4

- A.** There shall be an annual assessment on every share at a rate to be determined by vote of the Proprietors, any change to take effect upon passage.
- B.** Upon certification of special need by a majority of the Directors, the Proprietors at any annual or special meeting may vote a special assessment to be charged to each Proprietor. Notice that the Directors have certified such need shall be contained in the call to the meeting. Such special assessment shall be immediately due and payable. This action shall take effect immediately on its passage and a special assessment may be made at the meeting wherein this section is adopted provided the Directors have given the requisite notice as to certification of special need in the call to the meeting.

ARTICLE 5

The annual assessment shall be due and payable on January 1 of each year. If the assessment or any increase voted pursuant to Article 4 is not paid by April 1, the Directors, on report of the Treasurer, may preempt the shares, and the privileges of a Proprietor to the facilities of the Athenaeum shall then cease.

ARTICLE 6

There shall be an annual meeting of the Proprietors on a day in January of each year to be set by the Board of Directors. At this meeting, there shall be chosen by majority vote of the Proprietors present, the following Officers and Directors eligible for election in that year: a President, a Vice-President, a Secretary, and a Treasurer. The President and Vice-President shall be elected for a two-year term and the Secretary and Treasurer shall be elected for a one-year term. The retiring President shall serve a term of two years on the Board of Directors as Immediate Past President. No person who has served a full term as President shall be eligible to be re-elected as President until the expiration of three years from the end of that person's term as Immediate Past President. In the event of the death, resignation, or removal of the Treasurer or Secretary, the Board of Directors shall fill such vacancy by a majority vote for the remainder of the term in question.

There shall be nine Directors of the Portsmouth Athenaeum. Three Directors shall be elected each year for a term of three years. In the event any Director shall resign or be unable to serve prior to the expiration of that Director's term, the Board of Directors shall appoint a Proprietor to fill the unexpired term of that Director. No person who has served a full term of three years as Director shall be eligible for re-election as a Director until the expiration of one year from the completion of his or her term.

The Officers and Directors shall comprise the Board of Directors.

ARTICLE 7

The President or, in his or her absence the Vice-President, shall preside at all meetings of the Proprietors and of the Board of Directors. The President or the Vice-President with the Secretary shall execute all certificates of shares.

ARTICLE 8

The Treasurer shall receive and collect all debts due the Athenaeum, shall have the custody of all its monies and securities, and shall manage them, subject to the orders of the Board of Directors. He or she shall buy, and shall sell and transfer such stocks, bonds, mutual funds, and other securities of the Athenaeum as shall be directed by the Finance Committee, and is authorized, with the written approval of a majority of the members of the Finance Committee, to sell and transfer stocks, bonds and other securities of the Athenaeum. He or she may sign proxies, endorse checks and petitions, receipts for legacies, and approve probate accounts. Before the fifteenth day of January annually he or she shall furnish the Directors with a statement of the probable income available for the several departments during the current year. He or she shall make up his or her account annually, in such form as the Board of Directors shall direct, and shall have such account audited by the Auditor appointed by the Board. Such account shall be presented at the annual meeting. The Treasurer's books shall be open to the inspection of the Board of Directors, who may require him or her to give bond for the faithful discharge of his or her duties in such amount and with such sureties as the Board may direct, the cost of such sureties to be borne by the Athenaeum. The Directors from time to time may appoint such Assistant Treasurers as may be needed to assist the Treasurer in the carrying out of the duties of that office.

ARTICLE 9

The Secretary shall give notice of all meetings of the Proprietors and of the Board of Directors and shall keep a true record of such meetings. He or she shall issue all certificates of shares, which shall be executed by the President or the Vice- President, and by him or her, and shall take receipts therefore.

ARTICLE 10

At the first meeting of the Board of Directors after the annual meeting of the Proprietors the President, with the concurrence of the Board, shall appoint an Auditor, Library Committee, Finance Committee, Admissions Committee, Nominating Committee, and such other committees as the President may deem necessary. The number serving on each committee shall be at the discretion of the President with the concurrence of the Board. The President shall have the power, with the concurrence of the Board, to fill any vacancies which may occur during the year and prior to the next annual meeting.

ARTICLE 11

The Library Committee shall consist of three or more Proprietors as determined by ARTICLE 10. Within the confines of the budget as approved by the Board of Directors, the Committee shall acquire books and periodicals. Under guidelines established by the Board of Directors, the Committee shall also be responsible for disposing or deaccessioning of same in cooperation with the Librarian. In addition to receiving funds from the budget and from discretionary book funds, the Committee may conduct such fundraising activities as are approved by the Board of Directors for the purpose of acquiring additional books.

ARTICLE 12

The Finance Committee shall be comprised of the President, the Vice-President, Treasurer, and other Proprietors who have a demonstrated interest and experience in financial matters. The Committee shall develop and recommend operating budgets for the review and approval of the Board of Directors. The Committee may manage the liquid assets of the Athenaeum or may delegate the investment and management function to a qualified agent with the approval of the Board of Directors. If the management of funds is delegated, the Committee's responsibility shall include the monitoring of the agent. In addition, the Committee shall develop bookkeeping, accounting, and auditing procedures for the Athenaeum.

ARTICLE 13

The Admissions Committee shall consist of not less than three nor more than five Proprietors. At least one of the members of the Committee shall be a Director. All applications from those seeking to become Proprietors shall be referred to this Committee for investigation and recommendation to the Board of Directors. The Committee shall consider the applicant's interest in the programs and goals of the Athenaeum. In addition, the Committee shall review all information related to the applicant's personal integrity and responsibility as provided by the endorsers of the applicant. No person shall serve on the Committee for more than three consecutive years.

ARTICLE 14

The Nominating Committee shall be comprised of at least three Proprietors who by their past involvement with the Portsmouth Athenaeum have gained insight into the mission and operation of said organization. The Committee shall be responsible for presenting nominations for Officers and Directors of the Portsmouth Athenaeum. In selecting candidates for Officers and Directors, consideration shall be given to all Proprietors except members of the Nominating Committee. The Candidate's interest in the organization, qualifications, and ability to attend meetings are factors to be considered in the selection process.

ARTICLE 15

Subscribers, with the approval of the Board of Directors, may be admitted to the privileges of the rooms of the Athenaeum upon payment of an annual fee which shall not be less than the annual assessment paid by Proprietors. Such annual fee shall be payable at the same time as annual assessments are payable by Proprietors. Subscribers are those who have made application to become Proprietors and who have been conditionally accepted by the Board of Directors to be offered a Proprietor's share when such a share should become available. The offering of a share to such a Subscriber is always subject to final confirmation by the Directors and no Subscriber shall be entitled as a matter of right to demand an available share.

ARTICLE 16

The Board of Directors shall have the right to regulate the use of all facilities. Only Proprietors and their spouses shall have free use of the facilities within the regulations established by the Board. No other person may have use of such facilities except as the Board may allow.

ARTICLE 17

A. These Bylaws may be amended by a two-thirds vote of the Proprietors present at any annual or special meeting when notice of such proposed amendment is given in the call for either meeting. Fourteen days written notice is required for any meeting relating to Bylaw amendments. In determining whether sufficient notice has been given, the date of the postmark on the envelope containing the notice shall be controlling. Bylaw amendments may be presented to the Proprietors of the Portsmouth Athenaeum by either the Board of Directors or by petition of Proprietors. The Board of Directors may submit Bylaw amendments at either the annual meeting or a special meeting called by the Board. A petition submitted by Proprietors to amend these Bylaws may be presented only at the annual meeting. If a petition to amend these Bylaws is tendered to the President by at least fifteen Proprietors on or before October 10 of any year, it shall be submitted to the membership at the next annual meeting.

B. No motion, the passage of which would financially obligate the Portsmouth Athenaeum, may be presented by a Proprietor to the membership at any meeting, unless that motion has been specifically placed upon the Agenda by the Board of Directors for that meeting, or unless notice of the proposed motion has been provided to the Board of Directors in writing' at least fourteen days prior to the annual meeting.

ARTICLE 18

To the extent legally permissible, the Portsmouth Athenaeum shall indemnify each of its Officers and Directors against all liabilities including expenses imposed upon, or reasonably incurred by them, in connection with any action, suit, or other proceeding in which they may be involved or with which they may be threatened, while in office or thereafter, by reason of their acts or omissions as such Officer or Director, unless in such proceedings they shall be finally adjudged liable by reason of willful dereliction in the performance of their duties as such Officer or Director; provided, however, that such indemnification shall not cover liabilities in connection with any matter which shall be disposed of pursuant to a consent decree unless such compromise shall be approved as in the best interest of the Portsmouth Athenaeum, after notice that it involves such indemnification, by a vote of the Board of Directors. Such indemnification shall not extend to matters which do not come within the scope of official duties of such Officers and Directors.

ARTICLE 19

Any possible conflict of interest on the part of any member of the Board, officer, or employee of the Corporation, shall be disclosed in writing to the Board and made a matter of record through an annual procedure, and also when the interest involves a specific issue before the Board. Where the transaction involving a board member, trustee, or officer exceeds five hundred dollars (\$500) but is less than five thousand dollars (\$5,000) in a fiscal year, a two-thirds vote of the disinterested directors is required. Where the transaction involved exceeds five thousand dollars (\$5,000) in a fiscal year, then a two-thirds vote of the disinterested directors and publication in the required newspaper is required. The minutes of the meeting shall reflect that a disclosure was made, the abstention from voting, and the actual vote itself. Every new member of the Board will be advised of this policy upon entering the duties of his or her office, and shall sign a statement acknowledging understanding of and agreement with the policy. The Board will comply with all requirements of New Hampshire law in this area and the New Hampshire requirements are incorporated into and made a part of this policy statement.

ARTICLE 20

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Service Code or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.