

**BYLAWS
OF
VERMONT PATRIOTS INC**

ARTICLE I. OFFICES

§ 1.1 Business Office.

The principal office of the corporation shall be located within or without the State of Vermont. The corporation may have such other offices, either within or without the State of Vermont as the board of directors may designate or as the business of the corporation may require from time to time. The corporation shall maintain at its principal office a copy of its corporate records.

§ 1.2 Registered Office.

The registered office of the corporation shall be located within Vermont and may be, but need not be, identical with the principal office. The address of the registered office may be changed from time to time.

ARTICLE II. MEMBERS

§ 2.1 No Members.

The corporation shall not have members. All corporate powers that might otherwise be exercised by the members of the corporation if the corporation were to have members shall instead be exercised by the board of directors.

ARTICLE III. BOARD OF DIRECTORS

§ 3.1 General Powers.

Unless the articles of incorporation have dispensed with or limited the authority of the board of directors by describing who will perform some or all of the duties of a board of directors, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be managed under the direction of, the board of directors.

§ 3.2 Election, Number, Tenure, and Qualifications of Directors.

Unless otherwise provided in the articles of incorporation, the directors of the corporation (other than the initial directors) shall be elected by the directors then in office. The number of directors of the corporation shall be no less three (3) and no more than twenty (20) natural persons over the age of eighteen (18) years, the exact number to be determined by the directors

then in office. If the articles of incorporation do not name the initial directors, the incorporators shall determine the number of directors on the initial board. Each director shall hold office until the annual meeting of the directors for the calendar year following that director's election or until removed. In lieu of the foregoing, and at the option of the directors then in office, the total number of directors may be divided into two, three, four, five or six groups, with each group containing one-half, one-third, one-fourth, one-fifth or one-sixth of the total, as near as may be. The terms of directors of the first group shall expire at the first annual meeting of the directors after their election; the terms of the second group shall expire at the second annual meeting of the directors after their election; the terms of the third group shall expire at the third annual meeting of the directors after their election; and so on. At each annual directors meeting thereafter, directors shall be chosen for a term not to exceed the number of groups of directors, to succeed those directors whose terms expire.

However, if his or her term expires, a director shall continue to serve until his or her successor shall have been elected and qualified or until there is a decrease in the number of directors. Directors need not be residents of the State of Vermont unless so required by the articles of incorporation or the Vermont Nonprofit Corporation Act. A director may be employed in any other capacity by the corporation and shall not become disqualified as a director by serving the corporation in such other manner.

No more than 49 percent of the directors may be individuals who have received or are entitled to receive compensation, directly or indirectly, from the corporation for services rendered to it within the previous 12 months, whether as full-time or part-time employees, independent contractors, consultants or otherwise, excluding any reasonable payments made to directors for serving as directors; or any spouse, brother, sister, parent or child of any such individual.

§ 3.3 Annual and Regular Meetings of the Board of Directors.

The board of directors shall hold an annual meeting for each calendar year. The date, time, and place (which may be within or without the State of Vermont) for the holding of such annual meeting shall be designated by the board from time to time. The board of directors may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution. As is provided by § 3.7 of these bylaws, any such regular meeting may be held via telecommunications mechanism.

§ 3.4 Special Meetings of the Board of Directors.

Special meetings of the board of directors may be called by or at the request of the president or any one director. The person authorized to call special meetings of the board of directors may fix any place either within or without the State of Vermont as the place for holding any special meeting of the board of directors. As is provided by § 3.7 of these bylaws, such meeting may be held via telecommunications mechanism.

§ 3.5 Notice of, and Waiver of Notice for, Director Meetings.

Unless the articles of incorporation provide for a longer or shorter period, or the date, time, and place of the meeting has been provided by resolution, notice of any directors meeting shall be given at least two business days prior thereto either orally or in writing, including by means of electronic transmission of written materials. If mailed, notice of any director meeting shall be deemed to be effective at the earliest of: (1) when received; (2) five days after deposited in the United States mail, addressed to the director's business office, with postage thereon prepaid; or (3) the date shown on the return receipt if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the director. Any director may waive notice of any meeting. Except as provided in the next sentence, the waiver must be in writing, signed by the director entitled to the notice, and filed with the minutes or corporate records. The attendance (including participation via telecommunications mechanism) of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business and at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to action taken at the meeting. Unless required by the articles of incorporation, neither the business to be transacted at, nor the purpose of, any meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

§ 3.6 Director Quorum.

A majority of the number of directors shall constitute a quorum for the transaction of business at any meeting of the board of directors, unless the articles of incorporation require a greater number. Any amendment to this quorum requirement is subject to the provisions of § 3.8 of these bylaws.

§ 3.7 Directors, Manner of Acting.

The act of a majority of the directors present at a meeting at which a quorum is present when the vote is taken shall be the act of the board of directors unless the articles of incorporation require a greater percentage. Each director shall have one vote. Any amendment that changes the number of directors needed to take action is subject to the provisions of § 3.8 of these bylaws.

Unless the articles of incorporation provide otherwise, any or all directors may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating can simultaneously or sequentially hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

A director who is present at a meeting of the board of directors or a committee of the board of directors when corporate action is taken is deemed to have assented to the action taken unless: (1) the director objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at the meeting; or (2) his or her dissent or abstention

from the action taken is entered in the minutes of the meeting; or (3) the director delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

§ 3.8 Establishing a Supermajority Quorum or Voting Requirement for the Board of Directors.

For the purposes of this § 3.8, a “supermajority quorum” is a quorum of the directors greater than that specified in § 3.6, and a “supermajority voting requirement” is any requirement that requires the vote of more than a majority of those directors present at a meeting at which a quorum is present in order to be the act of the directors.

A bylaw that fixes a supermajority quorum or supermajority voting requirement may be amended or repealed by the board of directors. Action by the board of directors to adopt, amend, or repeal a bylaw that changes the quorum or voting requirement for the board of directors must meet the same quorum requirement and be adopted by the same vote required to take action under the quorum and voting requirement then in effect or proposed to be adopted, whichever is greater.

§ 3.9 Director Action Without a Meeting.

Unless the articles of incorporation provide otherwise, any action required or permitted to be taken by the board of directors at a meeting may be taken without a meeting if all the directors take the action, each one signs a written consent describing the action taken, and the consents are filed with the records of the corporation. Action taken by consent is effective when the last director signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be described as such in any document.

§ 3.10 Removal of Directors.

The board of directors may remove one or more directors at a meeting called for that purpose by affirmative vote of two-thirds of the directors then in office if notice has been given that a purpose of the meeting is such removal. The removal may be with or without cause unless the articles of incorporation provide that directors may be removed only with cause.

§ 3.11 Board of Director Vacancies.

Unless the articles of incorporation provide otherwise, if a vacancy occurs on the board of directors, including a vacancy resulting from an increase in the number of directors, the board of directors may fill the vacancy; or if the directors remaining in office constitute fewer than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office.

A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date) may be filled before the vacancy occurs but the new director may not take office until the vacancy occurs.

The term of a director elected to fill a vacancy expires at the next annual meeting of directors. Despite the expiration of his or her term, the director shall continue to serve until his or her successor is elected and qualifies or until there is a decrease in the number of directors.

§ 3.12 Director Compensation.

The directors may not receive compensation for their services as directors, except that unless otherwise provided in the articles of incorporation, by resolution of the board of directors, each director may be paid his or her reasonable expenses, if any, of attendance at each meeting of the board of directors. No such payment shall preclude any director from serving the corporation in any capacity and receiving compensation therefor.

§ 3.13 Director Committees.

- (a) *Creation of Committees.* Unless the articles of incorporation provide otherwise, the board of directors may create one or more committees and appoint persons to serve on them. Only persons who are directors of the corporation may serve as voting members of a committee. Persons who are not directors may be appointed by the board of directors to serve as non-voting members of a committee. Each committee must have two or more voting members, who serve at the pleasure of the board of directors.
- (b) *Selection of Members.* The creation of a committee and appointment of members to it must be approved by the greater of (1) a majority of all the directors in office when the action is taken, or (2) the number of directors required by the articles of incorporation to take such action (or, if not specified in the articles, the numbers required due to a supermajority voting requirement imposed pursuant to § 3.8 of this Article III to take action).
- (c) *Required Procedures.* Sections 3.4, 3.5, 3.7, 3.8 and 3.9 of this Article III, which govern meetings, action without meetings, notice and waiver of notice, and voting requirements of the board of directors, apply to committees and their members. A quorum for a committee meeting shall be a majority of the members of the committee.
- (d) *Authority.* Unless limited by the articles of incorporation, each committee may exercise those aspects of the authority of the board of directors which the board of directors confers upon such committee in the resolution creating the committee; provided, however, a committee may not:

- (1) authorize distributions;

- (2) [intentionally omitted];
- (3) fill vacancies on the board of directors or on any of its committees;
- (4) amend the articles of incorporation pursuant to the authority of directors to do so granted by the Vermont Nonprofit Corporation Act;
- (5) adopt, amend, or repeal bylaws; or
- (6) approve a plan of merger;

ARTICLE IV. OFFICERS

§ 4.1 Number of Officers.

The officers of the corporation shall be a president, a secretary, and a treasurer each of whom shall be appointed by the board of directors. Such other officers and assistant officers as may be deemed necessary, including a chairperson of the board, an assistant secretary, an assistant treasurer, and any vice presidents, may be appointed by the board of directors. If specifically authorized by the board of directors, an officer may appoint one or more officers or assistant officers. The same individual may simultaneously hold more than one office in the corporation, except that the offices of president and secretary may not be held by the same person.

§ 4.2 Appointment and Term of Office.

The officers of the corporation shall be appointed by the board of directors for a term as determined by the board of directors. The designation of a specified term grants to the officer no contract rights, and the board shall have the right to remove the officer, with or without cause, at any time prior to the termination of such term. If no term is specified, they shall hold office until they resign, die, or until they are removed in the manner provided in § 4.3 of this Article IV.

§ 4.3 Removal of Officers.

Any officer or agent may be removed by the board of directors at any time, with or without cause. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Appointment of an officer or agent shall not of itself create contract rights.

§ 4.4 The Chairperson.

The chairperson of the board, if appointed, shall preside at all meetings of the board of directors.

§ 4.5 The President.

The president shall be the principal executive officer of the corporation and, subject to the control of the board of directors, shall in general supervise and control all of the business and affairs of the corporation. The president shall, when present, and in the absence or incapacity of the chairperson, preside at all meetings of the board of directors. The president shall present at each annual meeting of the directors a report of the condition of the business of the corporation; appoint, discharge and fix the compensation of all employees and agents of the corporation other than the duly elected officers, subject to the approval of the board of directors; sign and execute all contracts in the name of the corporation and all notes, drafts or other orders for the payment of money; cause all books, reports, statements, and certificates to be properly kept and filed as required by law; prepare budgets of expense for the approval of the board of directors; and from time to time make reports of the work and affairs of the corporation to the board of directors.

§ 4.6 The Vice-Presidents.

If appointed, in the absence of the president or in the event of his or her death, inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents in the order designated at the time of their appointment, or in the absence of any designation, then in the order of their appointment) shall perform the duties of the president and, when so acting, shall have all the powers of and be subject to all the restrictions upon the president. (If there is no vice-president, then the treasurer, if any, shall perform such duties of the president.) Any vice-president shall also perform such other duties as from time to time may be assigned to him or her by the president or by the board of directors.

§ 4.7 The Secretary.

The secretary shall record all votes and proceedings of the directors or any executive or other committee thereof; attend to the giving of notices of special meetings of the board of directors; be custodian of the records and seal of the corporation and affix the seal to corporate papers when required; maintain an office in Vermont or such other place as may be designated by the board of directors, where the corporate records of the corporation shall be kept and procure and file in the corporate office certified copies of all papers required by law to be filed with the Vermont Secretary of State; attend to all correspondence and present to the board of directors at the next meeting all official communications received by him or her since the prior meeting; and perform the duties incident to the office of the secretary of the corporation as specifically delegated from time to time by the board of directors and as may be required by the laws of the State of Vermont.

§ 4.8 The Treasurer.

If appointed, the treasurer shall have the care and custody of and be responsible for all the funds and securities of the corporation, and shall deposit such funds and securities in the name of the corporation in such banks or safe deposit companies as the board of directors may designate; cause to be made, signed, or endorsed, in the name of the corporation, all checks, drafts, notes and other orders for the payment of money and pay out and dispose of such under the direction

of the president and/or the board of directors; keep at the principal office of the corporation accurate books of account of all its business and transactions and, at all reasonable hours, exhibit books and accounts to any director promptly upon request; render a report of the condition of the finances of the corporation at each regular meeting of the board of directors and at such other times as shall be required of him or her; and further perform all duties incident to the office of treasurer of the corporation. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the board of directors shall determine.

§ 4.9 Other Officers.

Other officers shall perform such duties and have such powers as may be assigned to them by the board of directors.

§ 4.10 Salaries.

The salaries of the officers, if any, shall be fixed from time to time by the board of directors.

ARTICLE V. INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS, AND EMPLOYEES

§ 5.1 Indemnification of Directors.

Unless otherwise provided in the articles of incorporation, the corporation shall indemnify any individual made a party to a proceeding because the individual is or was a director of the corporation, against liability incurred in the proceeding, but only if the corporation has authorized the payment in accordance with § 8.55 of the Vermont Nonprofit Corporation Act and a determination has been made in accordance with the procedures set forth in § 8.55 of the Vermont Nonprofit Corporation Act that the director met the standards of conduct and other requirements set forth in paragraphs (a), (b), and (c) below.

(a) *Standard of Conduct*

The individual shall demonstrate that:

- (1) the director conducted himself or herself in good faith; and
- (2) the director reasonably believed:
 - (i) in the case of conduct in his or her official capacity with the corporation, that his or her conduct was in the corporation's best interests;

- (ii) in all other cases, that his or her conduct was at least not opposed to the corporation's best interests; and
 - (3) in the case of any proceeding brought by a governmental entity, the director had no reasonable cause to believe his or her conduct was unlawful, and the director is not finally found to have engaged in a reckless or intentional unlawful act.
- (b) *No Indemnification Permitted in Certain Circumstances*

The corporation shall not indemnify a director under this § 5.1 of Article V:

- (i) in connection with a proceeding by or in the right of the corporation in which the director was adjudged liable to the corporation; or
- (ii) in connection with any other proceeding charging improper personal benefit to the director, whether or not involving action in his or her official capacity, in which the director was adjudged liable on the basis that personal benefit was improperly received by him or her.

§ 5.2 Advance Expenses for Directors.

If a determination is made, following the procedures of § 8.55 of the Vermont Nonprofit Corporation Act that the director has met the following requirements; and if an authorization of payment is made, following the procedures and standards set forth in § 8.55 of the Vermont Nonprofit Corporation Act, then, unless otherwise provided in the articles of incorporation, the corporation shall pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding in advance of final disposition of the proceeding, if:

- (1) the director furnishes the corporation a written affirmation of his or her good faith belief that the director has met the standard of conduct described in § 5.1 of this Article V;
- (2) the director furnishes the corporation a written undertaking, executed personally or on his or her behalf, to repay the advance if it is ultimately determined that the director did not meet the standard of conduct (which undertaking must be an unlimited general obligation of the director but need not be secured and may be accepted without reference to financial ability to make repayment); and
- (3) a determination is made that the facts then known to those making the determination would not preclude indemnification under § 5.1

of this Article V or Chapter 8, Subchapter 5 of the Vermont Nonprofit Corporation Act.

§ 5.3 Indemnification of Officers, Agents, and Employees Who Are Not Directors.

Unless otherwise provided in the articles of incorporation, the board of directors shall indemnify and advance expenses to any officer, employee, or agent of the corporation, who is not a director of the corporation, to the same extent as a director, as set forth in §§ 5.1, 5.2, and 5.3 of this Article V.

§ 5.4 Mandatory Indemnification.

Unless limited by the articles of incorporation, a corporation shall indemnify a director and an officer of the corporation in accordance with §§ 8.52 and 8.56 of the Vermont Nonprofit Corporation Act.

§ 5.5 Insurance.

The Corporation shall have the power to purchase and maintain insurance on behalf of any director, officer, employee or agent of the corporation, against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such. Unless otherwise provided in the articles of incorporation, no individual for whom indemnification is intended hereunder shall be indemnified for any cost or liability for which coverage and reimbursement are provided under an insurance policy.

§ 5.6 Notice to Directors Regarding Indemnification.

If the corporation indemnifies or advances expenses to a director, officer, employee, or agent in connection with a proceeding by or in the right of the corporation, the corporation shall report the indemnification or advance in writing to all of the other directors with or before the notice of the next meeting of the directors.

ARTICLE VI. FINANCIAL INSTRUMENTS AND OBLIGATIONS

§ 6.1 Contracts.

The board of directors may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the corporation, and any such authority may be general or confined to specific instances.

§ 6.2 Loans.

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board of directors. Such authority may be general or confined to specific instances.

§ 6.3 Checks and Drafts.

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officers or agents of the corporation and in such manner as the board of directors, by resolution, may designate or as provided in these bylaws. No instruments shall be signed in blank.

§ 6.4 Deposits.

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the board of directors may select.

ARTICLE VII. DISTRIBUTIONS

§ 7.1 Distributions.

With the exception of distributions upon dissolution of the corporation as described in § 7.2 below, the corporation shall not make any distributions.

§ 7.2 Dissolution.

Upon dissolution of the corporation, any assets remaining after payment of or provision for its debts and liabilities shall be distributed in accordance with the terms set forth in the corporation's articles of incorporation.

ARTICLE VIII. CORPORATE SEAL

§ 8.1 Corporate Seal.

The board of directors may provide a corporate seal which may be circular in form and have inscribed thereon any designation including the name of the corporation, Vermont as the state of incorporation, and the words "Corporate Seal."

ARTICLE IX. FISCAL YEAR

§ 9.1 Fiscal Year.

The fiscal year of the corporation shall begin on the first (1st) day of January in each year and end on the thirty-first (31st) day of December in each year.

ARTICLE X. AMENDMENTS

§ 10.1 Amendments.

The corporation's board of directors may amend or repeal the corporation's bylaws by a majority vote at a duly called and held meeting of the directors unless the bylaw either establishes, amends, or deletes a supermajority quorum or voting requirement (as defined in § 3.8 of Article III of these bylaws). Any amendment which changes the voting or quorum requirement for the board of directors must comply with § 3.8 of these bylaws.

ARTICLE XI. MISCELLANEOUS

§ 11.1 References to Vermont Act.

All references in these bylaws to the Vermont Nonprofit Corporation Act and sections thereof shall mean and include said Act and sections as they may be amended, supplemented, or supplanted.

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