

Bylaws
of
Paws & Claws
Humane Society

BYLAWS OF PAWS & CLAWS HUMANE SOCIETY

ARTICLE I NAME

The name of this corporation shall be Paws & Claws, Inc. also known as Paws & Claws Humane Society. Its headquarters shall be located in Rochester, Minnesota. Its objectives shall be those set forth in the articles following.

ARTICLE II PURPOSE

It shall be the purpose of this corporation to perform charitable functions and activities relating to lost, abandoned, or unwanted animals, including but not limited to, the operation of referral service for lost and found animals, the maintenance of shelters and foster homes for temporary care of unclaimed animals and the placement of unclaimed or unwanted animals in suitable new homes. The corporation may also distribute educational information to the public concerning the proper and humane care and sheltering of animals and aid, as appropriate upon request, law enforcement officials in animal related situations.

ARTICLE III MEMBERSHIP AND DUES

1. Any person in sympathy with the purposes of this corporation who pays the annual dues as established from time to time by the Board of Directors shall be a member.
2. Membership shall commence upon payment of annual dues. Dues shall be due and payable annually on the first day of the anniversary month in which dues were initially paid. If a person fails to pay his or her dues within thirty (30) days of the due date, his or her membership shall automatically expire. No action of the Board of Directors shall be necessary to render expiration of membership effective.
3. All lifetime members existing as of September 5, 1990 shall continue in full force unless revoked pursuant to paragraph 4 of this Article III.
4. The Board of Directors by a two-thirds vote of the entire Board may deny membership to or revoke the membership of any person who conducts himself or herself in a manner contrary to or inimical to the purposes of this corporation. An applicant may not be denied membership and a member may not be terminated or suspended except where termination occurs at the end of a fixed term or except or pursuant to the procedure described below.

At least fifteen (15) days prior to the date on which board action is to be considered to revoke or suspend the membership of any member, the member shall be given written notice, delivered to the member's last known address, which notice shall state the following:

- A. The date on which the proposed action will be considered by the Board;
- B. A brief statement of the reasons for the proposed action; and

C. A statement that the member shall have an opportunity to address the board in opposition to the proposed action.

ARTICLE IV VOTING

1. Provided that the qualifications set forth in the next paragraph of this Article are met, members shall be entitled, based on type of membership, to the following number of votes at any annual or special meeting of the members:

- A. Individual, lifetime individual, or senior individual membership1 vote
- B. Family, lifetime family, or senior family membership1 vote per adult member
not to exceed 2 votes per membership
- C. Junior membership (under 18 years old)non-voting

2. To be eligible to vote at an annual or special meeting of the members the person must:

- A. Be 18 years old or older and a member in good standing; and
- B. Have been a member at least thirty (30) days prior to the date of the meeting.

3. Members eligible to vote may vote only in person. Proxy voting shall not be permitted.

4. Twenty (20) members, or ten percent (10%) of the members in good standing and eligible to vote, whichever is less, shall constitute a quorum necessary for the transaction of business at the annual meeting or any special meeting of the members.

5. Unless otherwise provided for by law, if a quorum has been present at a meeting any election or other action by the members shall be decided by a majority.

ARTICLE V ANNUAL MEETING

The annual meeting shall be held in the fourth quarter of each year or at such other time as designated by the Board of Directors. Notice of the time, place, and purpose or purposes of the annual meeting shall be served upon each member either personally or by mail at the member's last known address, not less than ten (10) nor more than sixty (60) days before the meeting date. Any member may waive this notice by submitting a written waiver to the organization. The purpose of the annual meeting shall be the election of Board members and the transaction of all business properly brought to the floor.

ARTICLE VI SPECIAL MEETINGS

Special meetings of the members can be called by the Board of Directors or by fifty (50) voting members or ten (10) percent of the members with voting rights, whichever is less, if those members sign, date, and deliver to the Chairperson or the Secretary one or more written demands for the meeting describing the purpose for which it is to be held. Within fifteen (15) days after receipt of a demand for a special meeting from such voting members, the Board shall cause a special meeting to be called at the expense of the corporation no later than thirty (30) days after receipt of the demand. Notice of the time, place, and purpose or purposes of the special meeting shall be served upon each member either personally or by mail, unless waived, not less than five (5) days before such meeting. If called by the members, the special meeting may be held for any purpose except the election of Board members. Business conducted at the special meeting shall be limited to that sent out in the notice, unless all members of the corporation are present.

ARTICLE VII NOMINATING COMMITTEE

1. The Board of Directors shall appoint a nominating committee of not less than three (3) and not more than five (5) members to present candidates to fill the vacant Board seats or additional Board seats as determined by the Board pursuant to Article VIII. The nominating committee will consist of current voting members excluding current directors unless fewer than three (3) current members will accept appointment to this committee.
2. Sufficient Directors shall be elected at the annual meeting to fill the vacancies that occur on the expiration of the current terms of office or by resignation and new Board positions which may be created by the Board pursuant to Article VIII. Only those who have agreed to serve on the Board if elected and who have complied with the nominating process as established by the Board of Directors shall be eligible to be candidates.
3. All applications for directorship must be submitted to the nominating committee a minimum of 30 days prior to the annual meeting.

ARTICLE VIII BOARD OF DIRECTORS

1. The Board of Directors shall consist of three (3) to fifteen (15) directors elected by the membership of the corporation at the annual meeting of the membership. The actual number of Directors shall be decided by majority vote of the existing Board. Directors may be added or a vacant seat left vacant at the discretion of the Board, except that there shall always be least three (3) and not more than fifteen (15) directors.
2. The Board of Directors is charged with responsibility for setting policies, establishing membership dues, and overseeing all managing agents of the corporation to whom it may delegate responsibility. The business and property of the corporation shall be managed by the Board of Directors.
3. All of the Directors shall serve a three (3) year term from the date of election. Re-election may be sought for a subsequent three (3) year term. Under no circumstance may a director serve more than two (2) consecutive terms or six (6) consecutive years. The terms of the

Directors shall be staggered by year at the discretion of the Board so that there is continuity of leadership. Any board member whose term has expired must either run for re-election or wait for one (1) year to be considered for re-appointment to the board. Any board member who voluntarily leaves the Board before his/her term has expired must wait one year to be reappointed to the Board or run for election.

4. Any Director may resign by giving written or verbal notice of such resignation to the Board of Directors of the corporation. A resignation shall be effective immediately upon receipt of notice of the same by the Board of Directors or any one of the officers.

5. Any vacancy in the Board of Directors may be filled for the un-expired portion of the term by a majority vote of the remaining directors.

6. The Board of Directors shall hold at least four (4) regular meetings each year. As soon as possible following each election, the newly elected Board of Directors shall meet for the purpose of organization and election of Board Officers, as well as the transaction of other business. The Board of Directors shall elect, by majority vote of the persons present at the meeting or any subsequent meeting, a Chairperson, a Vice Chairperson, a Treasurer, a Secretary, and such other Officers as it deems appropriate.

7. Quorum shall consist of a majority of the Directors and shall have full powers to transact all pertinent business. The rule of proxy shall not apply to meetings of the Board.

8. Any action of the Board shall require the affirmative vote of a majority of Directors present and entitled to vote at a duly held meeting at which a quorum is present unless the affirmative vote of a larger proportion or number is required by law or by these bylaws.

9. Special meetings of the Board shall be held at the discretion of the Board. Notice of regular and special meetings shall be given by mail or by telephone by the Chairperson or the Secretary not less than five (5) days prior to the meeting, unless waived by the Directors in writing.

10. No contracts, transactions, or acts shall be taken on behalf of the corporation by the Directors, if such will result in denial of the tax exemption under Sections 503 or 504 of the Internal Revenue Code and its Regulations, as they may exist.

11. The Board of Directors shall also have the power and authority to delegate responsibility for conducting day to day business management of the corporation's affairs to a Business Manager or other agents or representatives, however, the Board shall retain authority to set policies and direct the actions of such person or persons to whom responsibility may be delegated to conform with policies as set forth by the Board. The Board may, at its discretion, pay a reasonable salary to such person or persons as necessary to assure the smooth operation of this corporation's business, provided that this is in compliance with all regulations set forth under Section 503 or 504 of the Internal Revenue Code and its Regulations, as they may exist. All decisions concerning the delegation of management responsibilities to any non-Board member shall require approval by a majority vote of the Board.

ARTICLE IX OFFICERS OF THE BOARD

1. Each Officer of the Board shall serve a term of one (1) year. There shall be no limit to the number of consecutive terms served as an Officer while on the Board of Directors. Any vacancies occurring during the term of office shall be filled from among the remaining Directors. Election of new Officers shall take place at the first regular meeting of the Board following the annual membership meeting or at such other time as the Board designates. The outgoing Officers shall assist the new Officers in assuming their new positions to assure continuity of leadership.

2. The Chairperson shall be responsible for overseeing the general management and control of the business affairs of the corporation, subject to the control of the Board of Directors. The Chairperson shall preside at all meetings of the membership and of the Board, except that in the event of the Chairperson's absence or resignation, the Vice Chairperson shall preside over such meetings. The Chairperson shall have such authority which by usual and common acceptance are performed and possessed by the chief officer(s) of a non-profit organization.

3. The Vice Chairperson shall act as an aide to the Chairperson and shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson.

4. The Treasurer shall have custody of all funds and property of the corporation and shall pay all bills of the corporation in a timely fashion. The Treasurer shall maintain books using standard accounting procedures of all income and expenditures of the corporation. The Treasurer will make a report to the Board of Directors at each regular meeting of the Board; at any other meeting of the Board at the request of any Director made at least five (5) days prior to the meeting date; and to the membership at the annual meeting.

5. The Secretary shall keep minutes of all meetings of the members and the meetings of the Board of Directors. The Secretary shall give notice or cause notice to be given as prescribed above for all regular and special meetings and shall also perform such other duties as may be assigned the Secretary by the Board of Directors.

ARTICLE X STANDING AND SPECIAL COMMITTEES

The Chairperson may appoint standing or special committees, subject to approval of the Board as may be determined to be necessary for the purpose of the corporation. Each committee shall be headed by a committee chairperson. All committee chairpersons shall make a report of the progress or recommendation of the committee to the Board at meetings of the Board as requested by any Director.

ARTICLE XI FISCAL YEAR

1. The fiscal year shall begin on the first day of August.

2. All of the funds of the corporation shall be deposited in its name in a bank account or bank accounts at a banking institution approved by the Board of Directors. Checks drawn on the corporation's fund shall be signed by the Treasurer, Chairperson, or other managing agent as designated by the Board of Directors.

3. Any reimbursement of any member shall be at the discretion of the Board upon request of the member and shall be for reasonable service only of the member and only such service or expense as shall pertain immediately to activities of the corporation or its Board. This corporation was not organized for profit and no part of the net earnings will inure to the benefit of any private shareholder or individual.

4. Income shall derive from dues of the membership, from voluntary contributions, and from activities as directed by the board of Directors.

ARTICLE XII WAIVER OF NOTICE

Section 12.01. **Waiver of Notice.** Whenever any notice whatsoever is required to be given by these Bylaws or the Articles of Incorporation or any of the corporate laws of the State of Minnesota, such notice may be waived in writing, signed by the person or persons entitled to said notice, whether before, at, or after the time stated therein or before, at, or after the meeting.

ARTICLE XIII ACTION WITHOUT A MEETING

Section 13.01. **Action Without a Meeting and via Remote Communication.** Action without a meeting or through means of remote communication shall be allowed as set forth in these Bylaws or as may otherwise be authorized under Minnesota law.

Section 13.02. **Meetings Conducted Solely Through Means of Remote Communication.** The Board of Directors may specify that a meeting will be conducted solely through one or more means of remote communication, provided that all notice and quorum requirements are met. Remote communication includes any communication that is accomplished by means of electronics, telephone, video, or internet conferencing, or such other means through which persons not physically present in the same location may communicate with each other on a substantially simultaneous basis. Participation in a meeting through a form of remote communication that is authorized by the Board of Directors constitutes personal presence at the meeting.

Section 13.03. **Attendance and Participation in Meetings by Means of Remote Communication.** The Board of Directors may authorize individual attendance and participation by Board members at meetings through one or more means of remote communication. Participation in a meeting through a form of remote communication authorized by the Board of Directors constitutes personal presence at the meeting.

Section 13.04. **Action Without Meeting.** Any action that may be taken at a meeting of the Board of Directors may be taken without a meeting when authorized in a written action signed or consented to in an electronic communication which meets the requirements of Section 13.02 *et. seq.*, in one or more counterparts, by the number of directors that would be required to take the same action at a meeting of the board at which all directors were physically present. The action is effective when the written action has been signed or consented to in an electronic communication which meets the requirements of Section 13.02 *et. seq.* by the required number of directors, unless a different effective time is provided in the written action.

Section 13.05. Electronic Records and Signatures. This corporation recognizes that authenticated electronic communication which meets the requirements of Section 13.02 *et. seq.* may legally satisfy written record and signature requirements necessary for valid records, signatures, and contracts. Authenticated communications are those communications that set forth information from which the corporation can reasonably conclude that the communication was sent by the purported sender and are delivered to the principal place of business of the corporation, or to an officer or agent of the corporation who is authorized by the corporation to receive the communication. Electronic records are records that are created, generated, sent, communicated, received or stored by electrical, digital, magnetic, wireless, optical, electromagnetic or similar technologies. Valid electronic signatures are those that are expressed through an electronic sound, symbol or process, and that are logically associated with a record and executed or adopted by a person with intent to sign the record.

ARTICLE XIII CONFLICTS OF INTEREST

Section 14.01. Conflicts of Interest. Except as permitted by law, with respect to any contract or other transaction between this Corporation and any director, officer or employee (or an organization in which a director, officer or employee is a director, officer, or legal representative or has a material financial interest), the material facts as to such contract or transaction and as to the interest of the director, officer, or employee must be fully disclosed or known to the Board of Directors prior to approval of such contract or transaction. These same conflict of interest provision shall also apply to transactions with a spouse, parent or child of this Corporation's directors, officers and employees. All such contracts or other transactions must be approved or ratified by the Board, and the interested director, if applicable, may not be counted in determining the presence of a quorum and may not vote.

ARTICLE XV REMOVAL

Any Director or Officer of the Board may be removed at the discretion of the Board less the Director under consideration for removal from office by affirmative vote of two-thirds of all remaining Directors at any meeting of the Board of Directors for nonfeasance, malfeasance, or conduct detrimental to the interests and purposes of the corporation. Failure to be present for three (3) or more consecutive Board meetings or less than one-half the Board meetings in any calendar year may constitute nonfeasance. When it is proposed that a Director be removed, the Director shall be given fifteen (15) days notice in writing before the meeting at which such action shall be considered by the Board of Directors. The notice shall state the purpose of the meeting and the reasons therefore, and a statement which advises the Director that he/she has a right to appear and to be heard by the remaining Directors at said meeting prior to the taking of any vote on removal. Any vote on a motion to remove a Director shall be by secret ballot.

Voting members may remove a Director or Directors by presenting an Officer of the Board with a written demand for a special meeting describing the purpose for which the meeting is to be held and a petition signed by at least 100 voting members or twenty (20) percent of the voting membership, whichever is less, outlining in concise detail evidence of nonfeasance, malfeasance or conduct detrimental to the interests and purposes of the organization. Within

15 days of receipt of the signed petition and demand for a special meeting, the Board will give written notification to the Director(s) in question of the purpose of the meeting and the reasons therefore as given in the petition, and a statement which advises the Director(s) that he/she/they has/have a right to appear and to be heard by the remaining Director(s) and petitioning members at said meeting prior to the taking of any vote on removal. The Board shall then cause a special meeting to be called at the expense of the corporation no later than 30 days after receipt of the petition and demand. Notice of the time, place, and purpose of the special meeting shall be served upon each member as specified in Article VI of the Bylaws. A majority vote of the members present at the special meeting shall be deemed necessary and sufficient to remove the Director.

ARTICLE XVI **AMENDMENTS**

The Board of Directors shall have the power to amend the Bylaws of the corporation by an affirmative vote of two-thirds of the Board.

ARTICLE XVII **EXEMPT ACTIVITIES**

Notwithstanding any other provisions in the Bylaws, no member, Director, Officer, or individual shall take any action or carry on any activity by or on behalf of this corporation not permitted to be taken or carried on by any organization exempt under Section 501 of the Internal Revenue Code and its Regulations, as they may exist, or by an organization to which contributions are deductible under Section 170 of such Code and Regulations

ARTICLE XVIII **DISSOLUTION**

All members of the corporation shall be deemed to have expressly consented and agreed that upon dissolution or liquidation of the corporation all the money, business property, and other assets of the corporation, after payment of all debts and obligations of the corporation shall be distributed to such non-profit charitable animal welfare organization(s) as may be selected by the Board of Directors of this corporation, which would then qualify under the provisions of Section 501(c)3 of the Internal Revenue Code and its Regulations. In no way shall any money, business property, or other assets of the corporation be returned or distributed to any member, Director, or individual.

Initially Adopted 4/20/77

Revised 4/05/89 Revised 4/07/93 Revised 12/17/03

Revised 9/05/90 Revised 8/25/98 Revised 11/17/04

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