

BY-LAWS of the Vermont Bar Foundation

ARTICLE I. NAME OF CORPORATION

The name of the corporation shall be the Vermont Bar Foundation, hereafter referred to as "Foundation."

ARTICLE II. PRINCIPAL PLACE OF BUSINESS AND FISCAL YEAR

The principal place of business and the mailing address shall be 35-37 Court Street, P.O. Box 1170, Montpelier, Vermont 05601, or such other address within the State of Vermont as may be designated hereafter by the Board of Directors of the Foundation. The fiscal year of the Foundation shall be January 1st to December 31st.

ARTICLE III. PURPOSES

The objects for which the Foundation is established are:

(a) To advance the science of jurisprudence and improve the administration of justice; to seek uniformity in judicial decisions; to contribute to schools, foundations and colleges and their departments engaged in the teaching and study of law, and their law libraries and law scholarship funds; to support legal aid facilities for the indigent and legal services corporations established under the provisions of Title 11 V.S.A., Chapter 19; to expend funds to provide for the defense of persons accused of unpopular crimes, acts or beliefs who are financially unable to employ counsel or defray the cost of proper defense; to contribute to public law libraries; to contribute to public programs providing for the physical improvement of courts and other agencies engaged in the administration of justice;

(b) To receive gifts, devises and bequests of real or personal property, and to hold and manage the same under terms and conditions not inconsistent with the objects expressed herein.

ARTICLE IV. MEMBERSHIP

The membership of the Foundation shall consist of all lawyers who are licensed by the Vermont Supreme Court to practice law in the State of Vermont and (a) are in active status, or (b) are judges or justices in active service in the office. In addition, the Board of Directors may admit other persons to membership in the Foundation.

ARTICLE V. ANNUAL AND SPECIAL MEETINGS

The annual meeting of the members of the Foundation shall be held in connection with the annual meeting of the Vermont Bar Association on such day in September as the Board shall determine.

Special meetings of the members may be called by the Board of Directors. Notice of the annual and special meetings shall be given by the Secretary by mail to each member no later than 20 days before the meeting. The notice shall specifically indicate the business to be transacted, including any question to be voted, as determined by the Board of Directors. It shall include any article requested by the Board of Directors or requested by 10% or more of the members of the Foundation at least 30 days prior to the meeting. No item of business, article or question to be voted shall be considered at the meeting unless prior notice thereof is given as contained in this Article or 3/4ths of the persons present at the meeting vote to consider an item, article or question, not including an amendment to the Articles of Association or these By-Laws. There shall be no quorum requirement at meetings of the Foundation members. Proxy voting is prohibited at meetings of the membership of the Foundation.

ARTICLE VI. COMPOSITION OF BOARD OF DIRECTORS

The affairs of the Foundation shall be governed by and conducted under the direction of a Board of Directors consisting of thirteen Directors. The directors shall be as follows:

(a) Six Directors elected for a two-year term from voting districts as set forth in Article VII;

(b) Two Directors appointed by the Vermont Supreme Court for a two-year term;

(c) Two Directors consisting of the President of the Vermont Bar Association or a designee appointed by the VBA President for a one-year term and one member of the Board of Managers of the Vermont Bar Association as selected biennially by that Board for a two-year term;

(d) Three Directors elected for a two-year term by the Board of Directors of the Foundation. These Directors need not be members of the Foundation.

The terms of Directors shall commence following the adjournment of the annual meeting of the Foundation. In order to facilitate staggering of terms, one of the Directors first appointed by the Vermont Supreme Court after the adoption of this Article, as determined by the Court, and one of the Directors first elected by the Board of Directors after the adoption of this Article, as determined by the Board, shall serve a one-year term. Thereafter, all Directors appointed by the Vermont Supreme Court or elected by the Board of Directors shall serve a two-year term. No member of the Board may serve more than three consecutive terms on the Board, except that membership based on being President of the Vermont Bar Association shall not be considered in determining the maximum number of terms a Board member may serve. Vacancies on the Board of Directors may be filled by a majority vote of the Board for the unexpired term except that a vacancy in an elected position shall be filled by a member with an office in the district for which the position was elected and a vacancy in a position appointed by the Vermont Supreme Court or the Vermont Bar Association shall be filled by the appointing body for the unexpired term.

The Board by vote of a majority of those present at a meeting may remove any of its members, and declare the position vacant, for failure to attend two consecutive meetings of the Board without having been excused therefrom by the President. The action shall be effective only if the question of removal of the Director is contained in the agenda for the meeting.

ARTICLE VII. ELECTION OF DIRECTORS

At the first annual meeting after the adoption of this Article, and every two years thereafter, six members of the Board of Directors, shall be elected by the Foundation members. At least 45 days before the date of the annual meeting, the Secretary shall notify all Foundation members of the persons nominated by the nominating committee for the positions of Director and of the availability of absentee ballots. At any time at least 25 days before the date of the annual meeting at which Directors will be elected, nominations for position of Director may be made by delivering to the Secretary a petition signed by at least twelve members of the Foundation.

At the annual meeting as specified above, Directors shall be elected for a term of two years. The Board of Directors shall conduct the election in such a way as to maximize the participation of members in the voting and to allow voting by secret ballot at the place of the meeting during the period that events connected with the annual meeting of the Vermont Bar Association are occurring. As soon as possible after nominations are closed, the Secretary shall prepare absentee ballots for each district for any members who request one. In order to be counted, an absentee ballot must be received at the offices of the Foundation or by the Secretary at or before the commencement of the annual meeting of the Foundation. The six persons receiving the highest number of votes for Director, one from each district except Chittenden which will have two, shall be elected.

ARTICLE VIII. ELECTION DISTRICTS

There shall be five election districts as follows:

(a) Northern District - The Northern District shall be composed of Caledonia County, Essex County, Franklin County, Grand Isle County, Lamoille County, Orange County and Orleans County.

(b) Eastern District - The Eastern District shall be composed of Windham County and Windsor County.

(c) Western District - The Western District shall be composed of Addison County, Bennington County, and Rutland County.

(d) Washington District - The Washington District shall be comprised of Washington County.

(e) Chittenden District - The Chittenden District shall be composed of Chittenden County.

Members shall be part of the district in which their principal office is located, or in the absence of an office location, in which their home is located. Members residing out of state shall be part of the Chittenden District.

One member of the Board of Directors shall be elected from each district except that two members shall be elected from the Chittenden District.

ARTICLE IX. NOTICE OF BOARD MEETINGS, TRANSACTION OF BUSINESS, IDEMNIFICATION

The Board of Directors shall meet at least twice in each fiscal year. Notice of the time and place of each meeting and an agenda of the subjects to be acted upon shall be given by mail or by telephone not less than seven calendar days prior to the designated meeting time. All business shall be transacted by majority vote of the Directors in attendance, in person or by telephone, at any meeting. Seven

members of the Board shall constitute a quorum for the transaction of business. Any action taken in the absence of a quorum shall become effective (1) upon written assent thereto by a majority of the entire Board of Directors, delivered to the Secretary of the Foundation, or (2) by ratification at a subsequent meeting of the Board.

Between regularly scheduled meetings of the Board, a mail or telephone ballot on any pending matter may be called for by the President, and any proposed action shall become effective upon written assent thereto by a majority of the entire Board of Directors delivered to the Secretary of the Foundation.

No member of the Board may vote on any matter involving the distribution of Foundation funds to a corporation, association or other organization of which the Board member is an officer, employee or member of its governing board.

The Foundation shall indemnify any Director or officer, or former Director or officer, against expenses actually and reasonably incurred by him or her in connection with the defense of any action, suit or proceeding, civil or criminal, in which he or she is made a party by reason of being or having been such Director or officer, and any liability incurred in such action, suit or proceeding.

ARTICLE X. OFFICERS

At the first meeting of the Board following the annual meeting of the Foundation, the Board shall elect from among its members the following officers for the ensuing year: President, Vice-President, Secretary and Treasurer.

ARTICLE XI. DUTIES OF PRESIDENT

The President shall preside at all meetings of the Board and shall initiate such other actions as he or she deems appropriate in the conduct of the affairs of the Foundation, consistent with its Articles of Association and the within By-Laws. In the absence of the President, the Vice-President shall act for the President.

ARTICLE XII. DUTIES OF SECRETARY

The Secretary of the Foundation shall record the minutes of all meetings of the Board of Directors and keep such other records as are reasonably necessary to properly record the activities of the Foundation. The Secretary shall keep possession of the Articles of Association, By-Laws, Minutes of Meetings of the Board and all other permanent records of the Foundation, with the exception of those that are hereinafter specifically entrusted to the Treasurer or President of the Foundation

ARTICLE XIII. DUTIES OF TREASURER

The Treasurer of the Foundation shall supervise and be responsible for all Foundation funds and shall keep possession of all securities transferred to or belonging to the Foundation. The Treasurer shall buy, sell, transfer or otherwise dispose of the Foundation's securities and shall maintain bank accounts, in accordance with such directions as shall be given by the Board of Directors or by any committee duly appointed by the Board of Directors to supervise the Foundation's investment policies. The Treasurer shall arrange for an annual audit of the Foundation at the expense of the Foundation. The Treasurer shall be bonded in such amount and by such surety company as may be designated by the Board of Directors

from time to time. Said bond shall be retained by the President. Any premium payable on such bond shall be paid for by the Foundation.

ARTICLE XIV. ADDITIONAL POWERS OF BOARD - CREATION OF COMMITTEES, HIRING OF PERSONNEL, ESTABLISHMENT OF POLICIES REGARDING FUNDS, RECEIPT OF GIFTS

In addition to the powers otherwise contained in these By-Laws or available by law, the Board of Directors shall have the following specifically enumerated powers:

(a) To create such committees as are necessary, in the judgment of the Board, for the operation of the Foundation, including fund-raising, fund disbursements and investment policies and decisions.

(b) To authorize the Executive Director to hire such personnel as are necessary, in the judgment of the Board, to conduct the affairs of the Foundation including fund-raising, fund disbursement, monitoring activities of grantees, publicizing the activities of the Foundation, investment activities and financial record-keeping and reporting activities.

(c) To establish eligibility requirements for the receipt of Foundation funds, to establish policies for the disbursement of Foundation funds to grantees, to disburse such funds and to monitor the activities of grantees.

(d) To receive on behalf of the Foundation any gift, legacy, devise, memorial fund or other transfer of property or funds to hold for the Foundation to be used in accordance with the provisions of the Articles of Association and the terms of any gift, devise, legacy or memorial fund to the extent such terms are compatible with the objects for which the Foundation is established.

ARTICLE XV. QUALIFICATION OF FOUNDATION AS A CHARITABLE/EDUCATIONAL INSTITUTION

The Board of Directors shall take such action as is necessary to cause the Foundation to become qualified as a charitable and/or educational institution, under the provisions of the Internal Revenue Code of the United States of America, in order that any and all gifts, devises, memorial funds or legacies received by the Foundation shall receive tax deductible status under the Internal Revenue Code. In the event that the Foundation fails to qualify as a charitable and/or educational institution as herein provided for, or having so qualified thereafter loses its qualification, it shall be dissolved and its then assets shall be disbursed in accordance with the provisions of the Foundation's Articles of Association.

ARTICLE XVI. NOMINATING COMMITTEE AND GRANTS COMMITTEE

In addition to the committees that shall be appointed by the President or the Board of Directors from time to time, there shall be two standing committees as follows:

(a) Nominating Committee - On or before January 1 in any year in which an election of members of the Board of Directors by the members of the Foundation will be conducted, the President, with the approval of the Board of Directors, shall appoint a nominating committee. The committee shall have at least one member from each election district other than the Chittenden District, and at least two members from the Chittenden District. On or before May 1 in the year in which the committee is

appointed, the committee shall report to the Board nominating at least one, and no more than three, persons to run for election in each district, except that the committee may nominate up to six persons to run in the Chittenden District. The committee shall nominate only persons who have agreed to run if nominated.

(b) Grants Committee - There shall be a Grants Committee of at least five members elected by the Board of Directors. At least one member of the Grants Committee shall have a principal office or residence in each election district. In the event of a vacancy on the committee, the Board may fill the position for an unexpired term. The Committee shall choose a chairperson from among its members. The terms of office of Committee members shall be for two years, except two members of the Committee appointed in 1992 shall serve one-year terms. Thereafter, all terms shall be for a two-year period. No member of the Committee shall serve for more than two successive terms. The Grants Committee term of office shall begin on July 1 and end on June 30.

It shall be the responsibility of the grants committee to supervise the process of obtaining applications for grants in each year, to screen the applications received and, consistent with the policies adopted by the Board of Directors, to recommend to the Board which applications should be funded.

ARTICLE XVII. EXECUTIVE DIRECTOR

The Executive Director, who need not be a member of the Foundation, shall be appointed by and hold office at the pleasure of the Board of Directors and shall perform such duties as shall be assigned by the President and the Board of Directors.

ARTICLE XVIII. AMENDMENT OF ARTICLES OF ASSOCIATION AND BY-LAWS

The Articles of Association and the By-Laws may be amended by the methods specified in the Vermont Nonprofit Corporation Act.

ARTICLE XIX. EFFECTIVE DATE OF BY-LAWS

These By-Laws shall become effective on that date following March 1, 1991, when the last Director is appointed or elected pursuant to ARTICLES VI, VII and VIII of these By-Laws, except that this ARTICLE and ARTICLE XVI shall become effective on the date these By-Laws are adopted in order to conduct an election of Directors as provided herein and to process grant applications for the year 1990-1991. The first Board of Directors selected pursuant to these By-Laws shall be selected in March, 1991, and their terms shall commence on the date that these By-Laws are effective. They shall have terms as if they were selected in September, 1991, and commenced their terms in that month. The members of the Board of Directors elected pursuant to ARTICLE VII shall be elected at the 1991 mid-winter meeting of the Vermont Bar Association. To facilitate this election, a nominating committee shall be appointed by November 1, 1990, and shall report by January 1, 1991, nominating persons for election in March, 1991. The time periods specified in ARTICLE VII for notification of members and submission of petitions of nomination shall be calculated in relation to the date of the business meeting of the Vermont Bar Association. Absentee ballots for Director must be received at the offices of the Foundation by the close of business on the Friday of the week of the mid-winter meeting in order to be counted.

Adopted by the Board of Directors
July 21, 1992

Amended by the VBF Membership
September 18, 1998