

## Article of Incorporation of the Mount Washington Small Business Association

### ARTICLE 1

#### Name and Purpose

- 1.1 The name of the Association is Mount Washington Small Business Association, LLC (MTWSBA) and the purpose for which it is formed is to help Mount Washington, Kentucky maintain its unique community character, provide continuing opportunities for entrepreneurs, build economic strength, and prevent the mass displacement of community-based businesses.
- 1.2 Mount Washington Small Business Association, LLC. is incorporated in compliance with section 501(c)(6) of the Internal Revenue Code and its revisions.

### ARTICLE 2

#### Board of Directors

#### 2.1 General Powers

The business and affairs of the Association shall be managed by its Board of Directors.

#### 2.2 Number, Tenure and Qualifications

The number of officers of the Association shall be not less than three (3) nor more than seven (7). The number of directors shall be fixed from time to time by resolution of the Board of Directors. The Board shall always have an odd number of directors.

The terms of office of the directors shall be established by resolution of the Board of Directors but in no event shall any Director be elected for a term exceeding two (2) years. By accepting a position in the Board of Directors, the officer agrees to assist the incoming officer for a period of at least 30 days into the new officer's term. Each director shall hold office for the term for which he or she is elected or until his or her successor shall have been elected and qualified. Nothing herein shall prohibit directors from being re-elected to directorships. Directors must be organizational contributors. They must reside in the United States.

#### 2.3 Election of Directors

The election of directors shall be at the annual meeting of the Board of Directors and shall be by ballot. Nominees receiving the greatest number of votes shall be elected. Nominations will be taken in October, voting will take place in November and the announcement of the new officers will be in December.

#### 2.4 Annual Meetings

The annual meeting of the Board of Directors shall be held for the purpose of electing officers of the Association. The first meeting of the fiscal year shall be considered the annual meeting.

#### 2.5 Regular Meetings

The regular meeting of the Board of Directors shall be held monthly, at a time and place determined by resolution by the Board, without other notice than such resolution.

#### 2.6 Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) directors. The person(s) calling a special meeting shall fix the time and place for the meeting that shall be held in a location of mutual agreement.

2.7 Notice

Notice of meetings of the directors, when required, shall announce the time, place and purpose of the meeting and shall be delivered either personally or by email or other electronic communication to all directors. Notice for meetings shall be sent not less than three (3) and no more than twenty (20) days prior to the meeting.

2.8 Quorum

A Simple majority of the Board Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

2.9 Manner of Acting

The act of a majority of the directors present at a meeting which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by law or the Articles of In Association or these Bylaws.

2.10 Informal Action by Directors

Any action required or permitted to be taken at a meeting of directors or by a committee thereof at meeting may be taken without a meeting if comes in writing, setting forth the action so taken, shall be signed by all the directors entitled to vote with respect to the subject matter thereof.

2.11 Participation by Electronic Means

Any member of the Board of Directors or any committee designated by the Board may participate in a meeting of the Board of Directors or committee by means of telephone conference or similar communications equipment by which all persons participating in the meeting can all hear and speak to each other. Such participation shall constitute presence in person at the meeting.

2.12 Vacancies

Any vacancy occurring in the Board of Directors and any directorship to be filled by reason of an Increase in the number of directors shall be filled by a majority vote of the board members entitled to vote. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

2.13 Removal

Any director may be removed at any time for neglect of duty, by a vote of a majority of the board members entitled to vote.

2.14 Committees

By resolution adopted by a majority of the Board of Directors, the directors may designate two (2) or more directors to constitute a committee which shall have such authority in the management of the Association as the Board of Directors shall designate.

2.15 Compensation

No officer of Mt. Washington Small Business Associations LLC may be paid a salary.

## ARTICLE 3

### Officers

#### 3.1 Officers

The officers of the Association shall be a President, one or more Vice-Presidents (if director number supports the position(s), a Secretary and a Treasurer. Such other officers and assistant officers as may be deemed necessary may be elected at the discretion of the Board of Directors.

#### 3.2 Election and Term Office

The initial officers of the Association shall be elected by initial Board of Directors. Thereafter, the officers of the Association shall be elected annually by the membership at the annual meeting of the Association. If the election of the officers shall not be held at such meeting, such election shall be held as soon thereafter as practicable. Vacancies may be filled, or new offices created at any meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed in the manner hereinafter provided.

#### 3.3 Removal

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment, the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any of the person so removed. Election or appointment of an officer or agent shall not in itself, create any contract rights.

#### 3.4 Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term of office.

#### 3.5 President

The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all the business and affairs of the Association.

He or she shall, when present, preside over all meetings of the Board of Directors. He or she may sign, with the Secretary or any other proper officer of the Association thereunto authorized by the Board of Directors any 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 to the Board of Directors or by these Bylaws to some other officer or agent of the Association or shall be required by law to be otherwise signed or executed. In general, the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

#### 3.6 Vice-President(s)

In the absence of the President or in the event of his or her death, inability or refusal to act, the Vice-President (if the position exists; in the event there be more than one Vice-President, the Vice-President in the order designated at the time of their election, or in the absence of any designation, then in the order of their election) 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. Any Vice-President shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

3.7 Secretary

The Secretary shall: (a) keep the proceedings of the Board of Directors in one or more books or electronic repositories provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) keep a register of the post office address of each member which shall be furnished to the Secretary by such member; (d) Sign with President or any other proper officer of the corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized be executed, except in cases where the signing and execution thereof shall be expressly delivered to the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed and executed; and (e) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

3.8 Treasurer

The Treasurer shall: (a) have charge and custody of and be responsible for all accounts and securities of the Association; (b) receive and give receipts for money due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and (c) in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the president or by the Board of Directors. The office of Treasurer must be held by a person who has experience in the financial field of business; including but not limited to experience as an accountant, CPA, Bookkeeper, Controller, Banker, or Chief Financial Officer.

3.9 Other Offices

The Board of Directors, in its discretion, may establish such other offices as it may deem appropriate from time to time, and may prescribe such duties for such offices as it may deem appropriate in its judgment.

3.10 Bonds

If the Board of Directors by resolution shall so require, any officer or agent of the Association shall give bond to the Corporation in such sums and with such surety or sureties as the Board of Directors may determine for the faithful discharge of their respective duties and offices.

## ARTICLE 4

### Fiscal Year

- 4.1 The fiscal year of the organization shall be January 1 to December 31.

## ARTICLE 5

### Maintenance of Federal Tax-Exempt Status

- 5.1 Mt. Washington Small Business Association LLC enjoys federal tax-exempt status under section 501(c)(6) of the Internal Revenue Code through AMIBA's group exemption. Participation in the group exemption requires all board members and staff to be familiar with section 501(c)6 of the Internal Revenue Code and the content of any statements and agreements required under AMIBA's group exemption program signed by any staff or officer of MTWSBA and apply this knowledge to the duties of their position. To maintain participation in the Group exemption, MTWSBA must provide financial and activity reports to AMIBA from time to time, as prescribed by AMIBA's and comply with any other reporting and activity requirements AMIBA has identified in their group exemption guidelines, IBA Handbook and any other source. The MTWSBA director or a

designated board officer shall be designated to interact with AMIBA regarding MTWSBA tax-exempt purpose, activities, income and expenditures and any other questions regarding compliance for inclusion in the 501(c)(6) group exemption.

## ARTICLE 6 Donations Contracts, Loans, Checks and Deposits

### 6.1 Contracts

Any officers, agent or agents, may not enter into any contract or execute and deliver any instrument or document in the name of and on behalf of the Association, without an approval from the Board of Directors and such authority may not be general or confined to specific instances.

### 6.2 Loans

No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances. No loans shall be made by the Association to its directors or officers. Any director or officer who assents to or participates in the making of any such loan shall be liable to the Association for the amount of such loan until the repayment thereof.

### 6.3 Checks Drafts Etc.

All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

### 6.4 Deposits

All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, financial institutions or other depositories as the Board of Directors may select.

## ARTICLE 6 Waiver of Notice

Whenever any notice is required to be given under the provisions of these Bylaws or under the provisions of the Articles of Association, or otherwise, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the event or other circumstance requiring such notice, shall be deemed equivalent to the giving of such notice.

## ARTICLE 7 Amendments

These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted at any meeting of the board of directors of the Association at which a quorum present by a majority vote of the directors present at the meeting if at least twenty (20) days written notice is given of intention to alter, amend, or repeal or to adopt new Bylaws at such meeting.

## ARTICLE 8 Indemnification

The Association shall indemnify any and all persons who may serve or who served as directors or officers of the Association and their respective heirs, administrators, successors and assigns, against any and all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him or her in connection

with any proceedings to which he or she may be a party or in which he or she may become involved by reason of his or her being or having been a director or the Association, except in relation to matters In which any such director or officer or former director or officer shall be adjudged in an action, suit or proceeding to be liable for his or her own negligence or misconduct in the performance of his or her duties as a director or officer; provided, however, that in the event of a settlement the indemnification herein shall apply only when in the opinion of independent counsel selected by the Board of Directors or in a manner determined by the Board of Directors, there are not reasonable grounds for such persons to be adjured liable for negligence or misconduct in the performance of his or her duties as a director or officer. Such indemnification shall be in addition to any other rights to which those indemnified may be entitled under these Bylaws. an agreement, a vote of members, or as a matter of law or otherwise. The Association shall indemnify its directors and officers to the full extent permitted by Kentucky law.

In witness whereof, we have adopted these Bylaws on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

By:

\_\_\_\_\_  
Kelsey Reneau, President

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Brigette Brouillard, Vice President

\_\_\_\_\_  
Jennifer Carter, Secretary

\_\_\_\_\_  
Edward Sweeney, Board Member

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Keith Pound, Board Member