

**BYLAWS
OF THE
MULBERRY RIVER SOCIETY
An Arkansas Nonprofit Corporation**

Article I – Corporation Name and Location

Section 1.1 – Name of Corporation

The name of the corporation shall be the Mulberry River Society, Inc., (MRS) hereinafter referred to as MRS or the Corporation.

Section 1.2 – Principal Location

The principal location of MRS is in Franklin County, State of Arkansas, however the Corporation may receive correspondence or perform MRS related activities within other counties located in the State of Arkansas.

Article II - Purpose

Section 2.1 - IRC Section 501(c)(3) Purposes

MRS is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

Section 2.2 –Objectives and Purposes

MRS is an organization comprised of outdoor, river, and canoe enthusiasts who seek, through Conservation, Appreciation, Recreation, and Education, to increase public awareness of the Mulberry River as a water resource of Northwest Arkansas, including, but not be limited to, organizing and holding events for water and land clean-up of the Mulberry River and surrounding areas, and cooperating with the scientific community to identify causes and sources of impacts to the Mulberry River watershed area, assisting with the collection and analysis of data that identifies impacts to that water resource; to educate its members and the general public concerning their contribution to positive and negative impacts on the Mulberry River Watershed area.

Article III – Geographic Area Served

The geographic area served by MRS shall be that area described as the Mulberry River Watershed contained within the boundaries of the State of Arkansas falling under the definition

of an 8-digit Hydrologic Unit Code (HUC) 11110201 as designated by the United States Geological Service (USGS).

Article IV - Membership

Section 4.1 –Members

Any individual, qualifying organization or agency desiring to become a member of and/or to assist in the work of MRS may be so admitted.

Section 4.2 – Dues

No membership dues shall be required

Section 4.3 – Meetings

Section 4.3.1 – Annual Meeting: An annual meeting of members shall be held at the time and place designated by the Board of Directors of MRS. The purpose of the annual meeting shall be to receive reports from Board Officers and the Board committees; and for the transaction of any other business that properly comes before the meeting. Meetings shall be governed by generally accepted rules of order

Section 4.3.2 – Notice: Written or printed notice stating the place, day, and hour of the meeting, shall be given in as efficient and expedient manner as possible and shall be open to all members and guests.

Section 4.3.3– Quorum and voting: At any meeting, those members present shall constitute a quorum for the transaction of any business which may properly come before the meeting. A simple majority of the members present is required for approval of issues brought before the general membership.

Section 4.3.4.-Other Meetings: Other meetings shall be called by the Board of Directors on an as needed basis. Notice of meetings shall be issued pursuant to Section 4.3.2.

Section 4.4 – Membership Records

MRS shall keep a membership book or record containing the name and address or other contact information of each member..

Section 4.5 – Nonliability of Members

A member of MRS is not, as such, personally liable for the debts, liabilities, or obligations of the Corporation.

Article V – Sponsorship

Any organization, individual, and/or agency adhering to the purposes of and desiring to assist in the work of MRS may become a sponsor. The Board of Directors shall have the authority to establish methods and measures to recognize sponsors.

Article VI – Officers and Directors

The Board of Directors shall have the powers to do any and all things necessary, convenient, useful or incidental to the attainment of its purposes as fully and to the same extent as natural persons lawfully might or could do, so long as consistent with the laws of the State of Arkansas and with the objectives and purposes of the Corporation.

Section 6.1 It shall be the purpose of the Directors to:

- Meet at such times and places as required by these bylaws or as otherwise required by law;
- Perform any and all duties imposed on them collectively or individually by law, by the Articles of Incorporation, or by these bylaws;
- Initiate, supervise and approve plans and programs designed to achieve the objectives and purposes of MRS;
- Provide for the dissemination of information to the members and to the public generally that may be needed to provide suitable publicity for the work of MRS;
- Appoint and remove, employ and discharge, and, except as otherwise provided in these bylaws, prescribe the duties and fix the compensation of the any and all employees or service providers of or to MRS for proper conduct of the business of the Corporation;

Section 6.2 – Number and Composition

The Board of Directors shall be composed of at least twelve (12) and no more than seventeen (17) members and shall include:

- President
- Vice President
- Secretary
- Treasurer
- Committee head: Social media/website design and maintenance
- Committee head: Annual River Clean-Up
- Committee head: Water/soil quality and data
- Committee head: Education and public Awareness
- Committee head: Grant writing

- Committee head: Fundraising
- Committee head: Entertainment
- Immediate Past President who shall serve as an ex-officio member.
- 4 members at large

If at any time the need arises for the Board of Directors to increase or decrease in size, members shall be added; however, the Board should consider maintaining its diversity and balance when creating and/or eliminating Director's positions.

Section 6.3-Duties

The duties of each office shall include but not be limited to those responsibilities commonly accepted within the general meaning and public understanding associated with the title of each office, respectively.

Section 6.4 –Elections and Terms

Section 6.3. Officer vacancies shall be filled by majority vote of the Membership. Nominations shall be provided to the Board by the general membership. Committee heads, to be chosen by the members of said committee, shall serve as a Director on the board.

Each Officer shall hold office for a term of three (3) years and may be elected to serve a second three-year term in a single office. Committee head/Directors shall be appointed as their respective committee shall so designate and will not be limited to number of terms served.

Section 6.4 – Resignation: Any member of the Board of Directors shall have the right to resign at any time .

Section 6.5 – Vacancies

Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining Directors for the remainder of the unexpired term of his or her predecessor.

Section 6.6 – Compensation

No Director shall receive compensation for service on the Board of Directors; however, Directors may be reimbursed for reasonable expenses they incur in the course of their service on the Board.

Section 6.7 – Meetings

The Board of Directors shall hold regular meetings at with one such regular meeting being held on the day of the annual meeting of the members.

Section 6.7.1. – Quorum: At any meeting of the Board of Directors, a majority of the Directors present shall constitute a quorum for the transaction of business. Teleconferencing or other technologies that allow a Board member to participate in real time are considered acceptable alternatives to in person attendance.

Section 6.7.2.– Manner of Acting: The Board of Directors shall act by a majority vote on all questions except those which have been specifically designated in the bylaws as requiring more than a simple majority. No vote by proxy shall be allowed.

Section 6.7.3 – Conduct of Meetings

Meetings shall be governed by generally accepted rules of order insofar as such rules are not inconsistent with or in conflict with the Articles of Incorporation, these bylaws, or with provisions of law.

ARTICLE VII – Execution of Instruments, Deposits, and Funds

Section 7.1 – Execution of Instruments

The Board of Directors, except as otherwise provided in these bylaws, may by resolution authorize any Officer or agent of MRS to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent, or employee shall have any power or authority to bind MRS by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 7.2 – Checks and Notes

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of MRS shall be signed by the treasurer and countersigned by the President of MRS. Pre-signed checks, drafts or other orders or signing of checks, drafts or other orders using a stamp shall not be allowed.

Section 7.3 – Deposits

All funds of the Corporation shall be deposited from time to time to the credit of MRS in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 7.4 – Gifts

The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the nonprofit purposes of MRS.

Article VIII – Corporate Records, Reports, and Seal

Section 8.1 – Maintenance of Corporate Records

The Secretary and Treasurer, as appropriate, shall keep and make available to members and directors upon proper request and at reasonable times:

- Minutes of all meetings of Directors, committees of the Board, and, if MRS has members, of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- A record of its members, if any, indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- A copy of the Corporation's Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the members, if any, of MRS.

Section 8.2 – Corporate Seal

The Board of Directors may adopt, use, and, at will, alter, a corporate seal. Failure to affix the seal to MRS instruments, however, shall not affect the validity of any such instrument.

Section 8.3– Periodic Report

The Board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state or to the members, if any, of this Corporation, to be so prepared and delivered within the time limits set by law.

Article IX– IRC 501(c)(3) Tax Exemption Provisions

Section 9.1 – Limitations on Activities

No substantial part of the activities of this Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and MRS shall not participate in, or intervene in (including the

publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these bylaws, this Corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 9.2 – Prohibition Against Private Inurement

No part of the net earnings of this Corporation shall inure to the benefit of, or be distributable to, its members, Directors or trustees, Officers, or other private persons, except that MRS shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this Corporation.

Article X - Conflict of Interest and Compensation Approval Policies

Section 10.1 – Purpose of Conflict of Interest Policy

The purpose of this conflict of interest policy is to protect this tax-exempt Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the Coalition or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 10.2 – Definitions

Section 10.2.1 – Interested Person: Any Director, Officer, member of a committee with governing Board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.

Section 10.2.2 – Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
- A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 13.3, subsection 13.3.2, a person who has a financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists.

Section 10.3 – Conflict of Interest Avoidance Procedures

Section 10.3.1 – Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.

Section 10.3.2 – Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

Section 10.3.3 – Procedures for Addressing the Conflict of Interest: An interested person may make a presentation at the governing Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing Board or committee shall determine whether the Corporation can obtain with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing Board or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

Section 10.3.4 – Violations of the Conflicts of Interest Policy: If the governing Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.

Section 10.4 – Records of Board and Board Committee Proceedings

The minutes of meetings of the governing Board concerning claims of conflict of interest shall reflect all pertinent information concerning consideration of such conflict.

Section 10.5 – Compensation Approval Policies

A voting member of the governing Board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from MRS for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Coalition, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for Directors, Officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the Board or a duly constituted compensation committee of the Board shall also comply with the following additional requirements and procedures:

Section 10.5.1 – Terms of Compensation: The terms of compensation shall be approved by the Board or compensation committee prior to the first payment of compensation,

Section 10.5.2 – Conflicts with IRS Compensation Arrangement: All members of the Board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each Board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):

- is not the person who is the subject of the compensation arrangement, or a family member of such person;
- is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement
- does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement
- has no material financial interest affected by the compensation arrangement; and
- does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the Board or committee member.

Section 10.5.3 – Appropriate Data: The Board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:

- compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources
- the availability of similar services in the geographic area of this organization
- current compensation surveys compiled by independent firms
- actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the Board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

Section 10.5.4 – Documentation: The terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the Board or compensation committee that approved the compensation. Such documentation shall include:

- the terms of the compensation arrangement and the date it was approved
- the members of the Board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each Board or committee member
- the comparability data obtained and relied upon and how the data was obtained
- If the Board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the Board or committee shall record in the minutes of the meeting the basis for its determination.
- If the Board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the Board or committee meeting.

- any actions taken with respect to determining if a Board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement).
- The minutes of Board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next Board or committee meeting or 60 days after the final actions of the Board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the Board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next Board or committee meeting following final action on the arrangement by the Board or committee.

Section 10.6 – Annual Statements

Each Director, Officer, and member of a committee with governing Board delegated powers shall read and affirm such person:

- has received a copy of the conflicts of interest policy,
- has read and understands the policy,
- has agreed to comply with the policy, and
- understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 10.7 – Periodic Reviews

To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- Whether joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 10.8 – Use of Outside Experts

When conducting the periodic reviews as provided for in Section 10.7, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Board of its responsibility for ensuring periodic reviews are conducted.

Article XI – Indemnification of Directors and Officers

The Corporation shall indemnify every person who is or has been a Director or Officer of the Corporation and such persons' heirs and legal representatives where such person is a party or is threatened with being a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, including all appeals, by reason of the fact that such person is or was a Director or Officer of the Corporation, or is or was serving at the request of the Corporation in any capacity for any other business organization, against expenses (including attorneys' fees), judgment, decrees, fines, penalties and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding, if such person acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith or in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Corporation or, with respect to any criminal action, suit or proceeding, that he/she had reasonable cause to believe that his or her conduct was unlawful. The foregoing right of indemnification shall be in addition to all rights to which any such Director or Officer may be entitled as a matter of law. This indemnification shall not apply to any person in connection with a proceeding by or in the right of the corporation in which the Director was adjudged liable to the corporation. This indemnification shall not apply to any person in connection with any proceeding charging improper personal benefit to the Director, in which the Director was adjudged liable on the basis that personal benefit was improperly received by the Director. If any portion of this indemnification provision shall be declared overly broad or otherwise contrary to law, then the provision shall be interpreted to provide for the broadest indemnification allowable by law.

Article XII - Fiscal Year

The fiscal year of the Coalition shall begin on the first day of January and end on the last day of December in each year.

Article XIII– Amendment of Bylaws

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the voting members after presentation of the proposed changes by the Board of Directors at any regular or special meeting of the membership by a majority of the voting members present at the regular or special meeting where such amendment or change is to be considered.

Article XIV – Dissolution of the Corporation

The Corporation may be dissolved upon the concurrence of a two-thirds (2/3) majority of the whole number of members of the Board of Directors.

In the event of dissolution of the Corporation, the Board of Directors shall, after making provisions for payment of all liabilities of the Corporation and upon final dissolution and surrender of its organization and name, and as otherwise provided by law, dispose of all assets of the Corporation exclusively for charitable, educational or scientific purposes as shall at the time qualify as an exempt organization(s) under Section 501(c)(3) of the Internal Revenue Service code or the appropriate provisions of the Internal Revenue Service code then in effect, as the Board of Directors shall determine. In no case will distribution be made to an individual.

This prohibition shall not operate to prevent the Corporation, while acting in the capacity of agent, from receiving or disbursing any funds or fund.

Article XVII – Construction and Terms

If there is any conflict between the provisions of these bylaws and the Articles of Incorporation of this Corporation, the provisions of the Articles of Incorporation shall govern. Should any of the provisions or portions of these bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these bylaws shall be unaffected by such holding.

All references in these bylaws to the Articles of Incorporation shall be to the Articles of Incorporation, articles of organization, certificate of incorporation, organizational charter, corporate charter, or other founding document of this Corporation filed with an office of this state and used to establish the legal existence of this Corporation.

All references in these bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

Article XVIII - Adoption of Bylaws

We, the undersigned, are all of the initial Directors or incorporators of this Coalition, and we consent to, and hereby do, adopt the foregoing bylaws, consisting of the _____ preceding pages, as the bylaws of this Corporation.

Dated: _____

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