

**BYLAWS OF
THE NEW HAMPSHIRE BRANCH
OF THE INTERNATIONAL DYSLEXIA ASSOCIATION**

ARTICLE I – NAME, RELATIONSHIP TO THE ASSOCIATION

1.1. Name. The name of this corporation, herein after referred to as the Branch, shall be the New Hampshire Branch of The International Dyslexia Association, Founded in Memory of Samuel T. Orton. The Branch, a non-profit corporation, is organized exclusively for charitable, educational, and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future tax code, including, for such purposes, the making of distributions to organizations that qualify as exempt. Notwithstanding any other provisions of these articles, this corporation shall not carry on any activities not permitted to be carried on by any organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future tax code.

1.2. Bylaws and Relation to The International Dyslexia Association. These Bylaws of the New Hampshire Branch are subordinate to the Articles of Incorporation and the Bylaws of The International Dyslexia Association, herein referred to as The Association, the organization which is an affiliate of the New Hampshire Branch, to the extent that such organizational documents of The Association are not in conflict with applicable provisions of New Hampshire Revised Statutes Annotated (“RSA”). In the event of conflict, the Articles of Incorporation and the Bylaws of The Association shall prevail over provisions of the Articles of Agreement and Bylaws of the Branch, except where such superseding would be in conflict with applicable provisions of the RSA, in which instance the RSA shall prevail.

1.3. Policies. The policies of the New Hampshire Branch shall be consistent with those of The Association.

ARTICLE II – PURPOSES

2.1. Purposes. The purposes of the Branch shall be to promote knowledge of dyslexia and related disorders and of literacy acquisition, as originally espoused by the late Samuel T. Orton and others, and as enhanced by ongoing theory, research, and application. In particular, the Branch shall:

- a. Be a non-profit, scientific and educational organization for the multidisciplinary study and treatment of individuals with dyslexia and related disorders;
- b. Support the purposes of The Association and abide by its policies and procedures;

[REVISIONS – POST MEETING]

c. Consist of members, a Board of Directors, Officers, and an Executive Committee;

d. Support and encourage study and research into the nature of dyslexia and related disorders as well as all aspects of the acquisition and mastery of written language, including, but not limited to, reading, spelling, and writing;

e. Promote the appropriate diagnosis and treatment of dyslexia and related disorders;

f. Promote, encourage, and support the preparation and continued education of professionals and other personnel to ameliorate the impact of dyslexia and related disorders and to promote optimal methods of reading instruction for all children; and

g. Promote public awareness and understanding of dyslexia and related disorders, as well as, knowledge of factors important to learning to read and write, through responsible dissemination of research-based knowledge.

2.2. Fiscal Year. The fiscal year shall be from January 1 to December 31.

2.3. Assets and Funds. The Branch shall receive, hold, and invest funds and make disbursements in payment of lawful indebtedness. These transactions shall be carried out in accordance with and as directed by the Bylaws of the Branch, and as directed or authorized by the Board of Directors, hereinafter referred to as the Board. Any solicitation of funds shall conform to guidelines as approved by The Association.

ARTICLE III – MEMBERSHIP

3.1. Membership in Branch. Membership shall be open to any individual in sympathy with the purpose of The Association and this Branch, without regard to age, sex, creed, color, disability, nationality, ethnic/religious background or marital status.

3.2. Association Membership. One must be a member of The Association to be a member of this Branch. Membership categories are those defined by The Association.

3.3. Membership Rights. Membership rights are the same as those defined by The Association.

3.4. Dues. The amount of dues for each membership category shall be determined by The Association. Dues shall be paid directly to The Association.

3.5. Dues Allocation. A portion of each Branch member's dues, as determined by the Board of Directors of The Association, shall be transmitted to the Branch.

3.6. Renewal of Membership. When dues are submitted with an application for initial membership or to reactivate a lapsed membership, dues remain current for one year from the date of payment. When submitted with a renewal of membership, dues remain current from the annual anniversary date.

ARTICLE IV – OFFICERS

4.1. Officers:

a. The Officers of the Branch shall be a President, a Vice-President, a Secretary, a Treasurer, and, when in effect, a President-elect and an Immediate Past-President. These Officers shall perform the duties prescribed by these Bylaws and the parliamentary authority adopted by the Board.

b. No member of the Branch shall hold more than one position on the Board of Directors of the Branch.

4.2. President:

a. On the January 1 following the completion of the term of the incumbent President, the President-elect shall assume the office of President for one two-year term or until a successor assumes the office of President. The President shall be eligible for a second consecutive term of office.

b. The President shall preside at all business meetings of the Branch, the Board, and Executive Committee and shall represent the Branch at all meetings of The Association's Branch Council.

c. The President shall provide leadership to the Branch, shall be an ex-officio member of all committees, except the Nominating Committee; and shall perform such other duties as are incident to this office, or as may be properly required of the President by the actions of the Branch or the Board.

d. At the conclusion of the term of office, the President shall serve as an Ex-Officio member of the Board for one year.

e. The powers, duties, authority, and limitations of the position of the President shall devolve, temporarily, during any absence or disability of the President, to the President-elect, or, if there is no President-elect, upon the Vice-President. The Executive Committee shall resolve any question about the existence or nonexistence of disability on the part of the President.

4.3. President-Elect:

[REVISIONS – POST MEETING]

a. In the annual election in 2002 and every two years thereafter, when the Nominating Committee determines that a President-elect shall be nominated, one individual, from among present or former Board members, shall be elected by the membership as the President-Elect for a one-year term.

b. On the January 1 following the conclusion of the President-Elect's term, the President-Elect shall assume the office of President.

4.4. Vice-President:

a. In an annual election in 2002 and every two years thereafter, one individual, from among present or former Board members, shall be elected by the membership as Vice-President for two-year term.

b. The Vice-President shall be responsible for arranging the Annual Business Meeting and, overseeing, and coordinating any Regions associated with the Branch, in addition to such other duties as are necessary or assigned by the President or the Board. The Vice-President shall be eligible for a second consecutive term of office.

4.5. Secretary:

a. In an annual election in 2002 and every three years thereafter, one individual, from among the Branch's membership, shall be elected by the membership as Secretary for a three-year term. The Secretary shall be eligible for a second consecutive three-year term.

b. The Secretary or in the Secretary's absence, a Secretary pro tem appointed by the President, shall take attendance and minutes at all meetings of the Board and the Executive Committee; present minutes to the Board, the Advisory Board, the International Office, and the President of The Association. The Secretary shall keep a record of all of the proceedings of the Branch.

c. The Secretary shall ensure that all amendments to the Articles of Incorporation and the Bylaws, and other corporate documents are properly recorded and distributed.

d. The Secretary shall ensure that any new policies enacted by the Board are added to the Branch's policy manual.

e. The Secretary shall cause to be received all ballots, coordinate the counting of the same, and report the results of all Branch elections and votes to the membership of the Branch and to The Association. A member of the Branch may cast the member's ballot in person at the Annual Meeting or by mailed ballot, provided such ballot reaches the Secretary before the polls are declared closed at the beginning of the business session of the Annual Meeting.

[REVISIONS – POST MEETING]

f. The Secretary shall maintain a roster of current Directors and Officers including their current addresses and telephone numbers, and shall maintain a current member roster including addresses and telephone numbers.

g. The Secretary shall perform such other duties as are necessary or assigned by the President or the Board.

4.6. Treasurer:

a. In an annual election in 2002 and every three years thereafter, one individual, from among the Branch's membership, shall be elected by the membership as Treasurer for a three-year term. The Treasurer shall be eligible for a second consecutive three-year term.

b. The Treasurer or bonded agent appointed by the Treasurer, with the approval of the Board, shall receive and deposit in a depository designated by the Board; all funds collected by and paid to the Branch; keep available accurate and current accounts of all such receipts and disbursements; render to the President and the Board an account of the financial condition of the Branch semiannually; render to the Executive Committee an account of the financial condition of the Branch quarterly; have power to sign checks, and to endorse, for collection only, all check drafts and other negotiable instruments payable to the Branch; and acts as chairperson of the Budget and Finance Committee. All checks in the amount of \$1,000.00 and over must have prior approval of the President and/or approval by the Board.

4.7. Immediate Past-President: At the conclusion of the President's term, the President shall serve a one-year term as a member of the Board in the position of Immediate Past-President. Thereafter, for a period of one year, the individual shall be ineligible for election to the Board.

4.8. Replacements:

a. In the event of the removal, resignation, or death of the President, the President-Elect shall assume the office of President, finishing the remainder of that term, and then continue with the President-Elect's subsequent regular two-year term. If there is no President-Elect, the Vice-President shall assume the duties of the President until such time as the Nominating Committee can meet and nominate a replacement, subject to election by the affirmative votes of nine members of the Board. Upon election the replacement shall immediately assume the office of President and shall serve out the balance of the unexpired term.

b. In the event of the removal, resignation, or death of the President-Elect, the Nominating Committee shall nominate a replacement, subject to election by affirmative votes of nine members of the Board. Upon election the replacement shall immediately assume the office of President-Elect and shall serve out the balance of the unexpired term, at which time, the President-Elect will assume the office of President.

[REVISIONS – POST MEETING]

c. In the event of the removal, resignation, or death of the Vice-President, the Secretary, or the Treasurer, the President shall nominate a replacement, subject to election by the affirmative votes of nine members of the Board. Consideration should be given to recommendations from the Nominating Committee. Upon election the replacement shall immediately assume office and shall serve out the balance of the unexpired term.

4.9. Detrimental Actions: An Officer may be removed from office by the affirmative votes of eleven members of the Board when the actions of the Officer are judged detrimental to the Branch.

4.10. Assumption of Office: The Officers, Directors, and members of the Nominating Committee shall assume office on January 1 following their election at the Annual Meeting.

ARTICLE V – BOARD OF DIRECTORS

5.1. Authority of Board. There shall be a Board vested with the authority and responsibility for establishing policy, managing all affairs of the Branch, and advancing the interests of the Branch in accordance with the Articles of Incorporation and the Bylaws of the Branch and the Bylaws of The Association.

5.2. Composition of Board. The Board of Directors shall consist of its officers and eleven elected members of the Branch, to be known as Directors. All voting members of the Board must be members of the Branch.

5.3. Term of Directors. Directors of the Board shall be elected for a term of three years. Following the completion of two full consecutive terms, a Director shall be ineligible for reelection for a period of one year. Directors of the Board shall be divided into three classes of terms of expiration, each consisting of an equal number of Directors.

5.4. Commencement of Term. Directors shall assume office on January 1 following their election at the Annual Meeting.

5.5. Restriction on Employee Serving as Director. No employee of the Branch or The Association shall be eligible for nomination or election as a Director or Officer or appointment to any of the Branch's committees.

5.6. Board Meetings. There shall be at least ten meetings of the Board per year. In addition, the Board may meet as many times and in such places as it shall deem necessary for the fulfillment of its duties.

5.7. Call of Meetings. The President must call a meeting of the Board upon the written request of ten members of the Board and the reason for such meeting must be stated in advance.

5.8. Notice of Meetings. Notice of meetings of the Board, including date, time, and purpose of said meeting, shall be sent to the members at least two weeks in advance of the meeting unless a condition of emergency exists.

5.9. Quorum and Voting. A majority of the entire membership of the Board, in addition to the President or the presiding Officer, shall constitute a quorum. For purposes of determining a quorum and for all purposes of voting a Director who is participating in the meeting through telephonic or other permissible, directly interactive communications means shall be deemed to be present and to have validly voted upon any matter upon which such Director shall have participated in such meeting. Each Director shall have one vote, which must be cast personally.

5.10. Removal of Director. A Director may be removed from the Board by the affirmative vote of ten or more Directors, when the actions of the Director are judged to be detrimental to the Branch.

5.11. Replacements and Vacancies. In the event of the removal, resignation, or death of a Director, or any other vacancy in a Director position, the President shall nominate a replacement, subject to election by affirmative votes of nine members of the Board. Consideration should be given to recommendations from the Nominating Committee. The replacement shall immediately assume the position and shall serve out the balance of the unexpired term. If the term is less than one-half term, the replacement is eligible to be elected to two full terms in such member's own right. If the remainder of the term is longer than one-half term, the replacement is eligible to be elected to one further successive term.

5.12. Compensation. All voting members of the Board shall serve without compensation.

5.13. Indemnification. Each Board member, present or past, shall be indemnified to the extent of the Branch's insurance coverage against liabilities and reasonable costs and expenses incurred as a result of any suit or proceeding in which such Board member may be involved because of such office. Such indemnification shall exclude liability or expense incurred by action known at the time by such person to be unlawful, or arising from willful malfeasance, bad faith, gross negligence or reckless disregard of the duties of such office.

5.14. Fundraising. Any money raising activity or solicitation of gifts or grants by the Branch shall conform strictly to policies approved by The Association.

5.15. Disposition of Assets Upon Dissolution. Upon dissolution of the corporation, the Board shall, after paying or making provisions for the payment of all of the liabilities of the corporation, dispose of all assets for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, or shall distribute assets to the

[REVISIONS – POST MEETING]

federal, state, or local government for a public purpose. Any remaining assets, not so disposed of, shall be disposed of by a court of competent jurisdiction, in the county in which the principal office of the organization is then located, exclusively for public purposes.

5.16. Standard of Duty of Director. A Director shall perform the duties of a Director, including as a member of any Board committee on which the Director may serve, in good faith, in a manner such Director believes to be in the best interest of the Organization and with such care, including reasonable inquiry, as an ordinary prudent person in a like situation would use under similar circumstances.

ARTICLE VI – EXECUTIVE COMMITTEE

6.1. Executive Committee. The Executive Committee shall consist of all officers of the Branch and one Director appointed by the President.

6.2. Duties of Executive Committee. The Executive Committee shall:

- a. Act in lieu of the Board between Board meetings;
- b. Carry out directives of the Board;
- c. Determine the duties, responsibilities, and salaries of any employees;
- d. Review any salaries annually prior to formulation of the budget by the Budget and Finance Committee; and
- e. Approve the auditor as recommended by the Budget and Finance Committee.

6.3. Meetings. Meetings of the Executive Committee shall be called at the discretion of the President.

6.4. Quorum and Voting. A quorum of the Executive Committee shall consist of five members. For purposes of determining a quorum and for all purposes of voting a member of the Executive Committee who is participating in the meeting through telephonic or other permissible, directly interactive communications means shall be deemed to be present and to have validly voted upon any matter upon which such member of the Executive Committee shall have participated in such meeting. Each member of the Executive Committee shall have one vote, which must be cast personally.

6.5. Minutes. The minutes of all meetings of the Executive Committee shall be taken by the Secretary or other Officer designated by the President in the Secretary's

[REVISIONS – POST MEETING]

absence and shall be sent to all members of the Board, the International Office, and the President of The Association by the Secretary.

ARTICLE VII – COMMITTEES

7.1. Committees. The standing committees of the Board shall be the Budget and Finance, Membership, and Nominating Committees and any other such standing committees as determined by the Board, which are required to conduct the purposes and goals of the Branch. Ad hoc committees may be established by the President with the approval of the Board.

7.2. Appointment to Committees. The chairperson and members of each committee, unless otherwise specified in these Bylaws or Board policies, shall be appointed by and serve at the pleasure of the President. Each committee chairperson shall be accountable to the Board as a whole.

7.3. Budget Responsibilities. Annually, and in a timely fashion, each chairperson shall submit a budget request to the Treasurer covering the proposed activities of that committee for the ensuing fiscal year.

7.4. Limitation on Expenses. No chairperson or member of a committee shall, beyond the limits of the approved budget, expend or commit money without prior approval of the Board.

7.5. The Budget and Finance Committee. This committee shall consist of the Treasurer, who shall be chairperson and at least two other members of the Board. it shall:

- a. Prepare annually for Board approval a budget of estimated revenue and expenses;
- b. Present the books for audit;
- c. Provide a set of guidelines for the collection, disbursement, and deposit of money;
- d. Study and recommend investment and financial policies;
- e. Investigate the availability of grants from foundations and other sources;
- f. Determine ways in which revenue may be obtained from materials which may be rented or sold to the public; and
- g. Make recommendations regarding the aforementioned to the Board.

7.6. The Membership Committee. This committee shall consist of a Chairperson and at least two other members of the Board. The committee shall:

- a. Promote growth of the Branch; and
- b. Develop recruitment and retention strategies.

7.7. The Nominating Committee.

a. This committee shall consist of three members, adequately distributed professionally and geographically, who shall serve one year terms. Two of the members shall be elected by the members at the time of the Annual Elections and one member shall be nominated by the President and elected by the Board of Directors. The chairperson shall be appointed annually by the President from among the members of the Nominating Committee. Members of the Nominating Committee are eligible for re-election from time to time.

b. No employee of the Branch or The Association shall serve on the Nominating Committee.

c. The committee shall:

- 1) encourage all members of the Branch to suggest candidates for vacancies and give full consideration to all such suggestions;
- 2) complete a slate of recommended candidates for all vacancies that are to be filled at the Annual Meeting by election by the members of the Branch. This Committee shall present the proposed slate of prospective nominees for election, which includes the forthcoming Nominating Committee members, all officers, and any existing vacancies to the Board. These recommendations shall be made no later than six weeks before the Annual Meeting at which such elections shall occur;
- 3) include in such slate any nominations for a particular vacancy that is supported by a petition bearing the signature of not less than twenty members of the Branch, provided that: a) the petitioning members are adequately distributed geographically; b) the petition candidate(s) meets the eligibility requirements for the named position and if elected is willing to serve the position for the specified term; c) the nomination is submitted in writing at least eight weeks in advance of the Annual Meeting, and d) the petition is accompanied by biographical information of the type required by the Nominating Committee guidelines;

[REVISIONS – POST MEETING]

- 4) ensure that the slate submitted to the members of the Branch by the Nominating Committee shall offer, including any qualifying petition candidate(s), not less than two candidates for election to the next Nominating Committee, not less than one candidate for election to each officership, and not less than one candidate for each vacancy as a Director that is to be filled at the time;
- 5) ensure that the slate of officers, Directors, and Nominating Committee shall be mailed on an official printed ballot and sent to the most recent known address of each member of the Branch;
- 6) recommend to the Board the names of candidates to fill any vacant or expired term of a member of the Board unless otherwise stated in these Bylaws;
- 7) keep current a cumulative roster of those who have served and are serving as Directors, Officers and/or Committee Chairpersons and members, by which the Nominating Committee and its successors shall determine eligibility for possible renomination; and
- 8) keep current a cumulative roster of those members who may be considered as possible future candidates.

d. In the event of a vacancy on the Nominating Committee, the President shall nominate a candidate and the Board shall elect a replacement by the affirmative vote of nine members of the Board.

ARTICLE VIII – MEETINGS OF MEMBERS

8.1. Annual Meeting. An Annual Meeting of the membership shall be held at a time established by the Board of Directors for the purpose of transacting the business of the Branch and electing Directors, Officers, and Nominating Committee members. Advance notice of such meetings and ballots shall be mailed to each member, communicated to each member by e-mail or similar permissible method of direct communication, and/or posted on the Branch's website, in order to permit a period of one month to elapse before closing the polls at the Annual Meeting.

8.2. Special Meetings. Special meetings of the Branch may be called by the President, the Board of Directors, or upon the written request of ten members in good standing and approved by the President and Board of Directors. Notice of such meetings, with a statement of the business for which it is to be called, shall be given at least four weeks in advance, in the same or similar manner as set forth in Section 8.1 in relation to the Annual Meeting.

[REVISIONS – POST MEETING]

8.3. **Quorum.** Members present at any meeting of the membership shall constitute a quorum for that meeting.

ARTICLE IX – BRANCH REGIONS

9.1. **Branch Regions.** The Board may establish, as it deems appropriate, Regional Groups within the geographic territory of the Branch. Governance of Regional Groups will be determined by the Board of Directors.

ARTICLE X – AMENDMENTS

10.1. **Procedure for Amendment.** The Bylaws may be amended, added to, or rescinded by the following method: Any member, in writing, to the Board, may submit the proposition. If the proposition receives the affirmative vote of eleven members of the Board, it shall be submitted for review and approval to the Chair of the appropriate committee of The Association, then, to the membership, in writing, by e-mail or similar permissible method of direct communication, and/or posted on the Branch's website, either immediately or at the time of the Annual Meeting. The Board shall determine the urgency of the proposition. Two-thirds vote of the members voting shall carry the proposition.

10.2. **Period for Voting.** A period of one month shall be allowed from the time of mailing, e-mail or similar permissible method of direct communication, and/or posted on the Branch's website, for the members to cast their votes.

10.3. **Ballot.** If any amendment(s) to these Bylaws is being submitted to the membership for action, the ballot shall provide space for voting on such amendment(s) and shall be accompanied by the written text of such amendment(s), which ballot may be paper, electronic through return e-mail to the Branch or by voice vote at a meeting.

ARTICLE XI – PARLIAMENTARY AUTHORITY

11.1. **Rules of Order.** The rules contained in Robert's Rules of order, Newly Revised shall govern the Branch in all cases to which they are applicable and are not inconsistent with the Bylaws of the Branch.

11.2. **Parliamentarian.** A member of the Board shall be appointed by the President, with the approval of the Directors, to the position of Parliamentarian and shall advise upon the propriety of procedure and of amendment.

ARTICLE XII – ADDITIONAL PROVISIONS

12.1. **Loans.** The Branch shall not make any loan of money or property to, or guarantee the obligation of, any Director, Officer or agent.

12.2. Pecuniary Benefit Transactions. Except as provided in Section 3 hereof, the Board shall not approve, or permit the Branch to engage in, a pecuniary benefit transaction. A pecuniary benefit transaction is a transaction to which the Branch is a party and in which one or more of its Directors has a direct or indirect financial interest in excess of \$500.00 on an annual aggregate basis. A Director shall be deemed to have an indirect interest in any pecuniary benefit transaction involving a person or entity of which a Director, or a member of the immediate family of a Director, is a proprietor, partner, employee, or officer. The following shall not be considered pecuniary benefits transactions: (a) Reasonable expenses incurred in connection with official duties of a Director or Officer; (b) A benefit provided to a Director, Council Member or Officer or member of the immediate family thereof if: (i) The benefits are provided or paid as part of programs, benefits, or payments to members of the general public; (ii) The Branch has adopted written eligibility criteria for such benefit in accordance with its Bylaws and applicable laws; and (iii) The Director, Officer, or family members meets all of the eligibility criteria for receiving such benefit; and (c) A continuing transaction entered in to by the Branch merely because a person with a financial interest therein subsequently becomes a Director or Officer of the Branch.

12.3. Approval of Pecuniary Benefit Transactions. The Branch may engage in a pecuniary benefit transaction if all of the following conditions are met:

a. The transaction is for goods or services purchased or benefits provided in the ordinary course of the business of the Branch, for the actual or reasonable value of the goods or services or for a discounted value, and the transaction is fair to the Branch.

b. The transaction received affirmative votes from at least nine of all the disinterested members of the Board, which majority shall also equal or exceed any quorum requirement specified in these Bylaws after full and fair disclosure of the material facts of the transaction to the Board and after notice and full discussion of the transaction by the Board.

c. Without participation, voting, or presence of any Director or Officer with a financial interest in the transaction or who has had a pecuniary benefit transaction with the charitable trust in the same fiscal year, except as the Board may require to answer questions regarding the transaction; and a record of the action on the matter is made and recorded in the minutes of the Board.

d. The Branch maintains a list of disclosing each and every pecuniary benefit transaction, including the names of those to whom the benefit accrued and in the amount of the benefit, and keeps such list available for inspection by members of the Board and its Member. The list shall also be reported to the Director of Charitable Trusts each year as part of the Branch's annual report required under New Hampshire RSA 7:28.

[REVISIONS – POST MEETING]

e. If the transaction, or the aggregate or transactions with the same Director or Officer within one fiscal year is in the amount of \$5,000.00 or more, the Branch publishes notice thereof in a newspaper of general circulation in the state, and gives written notice to the Director of Charitable Trusts, before consummating the transaction. At a minimum, such notice shall state that it is given in compliance with this section and shall include the name of the Branch, the name of any Director or Officer receiving pecuniary benefit from the transaction, the nature of the transaction, and the specific dollar amount of the transaction.

12.4 Compliance with Private Foundation Rules. Any provision of these Bylaws or the Articles of Agreement of the Branch to the contrary notwithstanding, so long as the Branch is deemed to be a “private foundation” as defined in Section 509 of the Internal Revenue Code of 1986, as amended (the “Code”), the Branch:

a. Shall distribute its income for each taxable year (and principal, if necessary) at such time and in such manner as not to subject the Branch to tax under Section 4942 of the Code;

b. Shall not approve of, or engage in, any act of self-dealing as defined in subsection (d) of Section 4941 of the Code;

d. Shall not retain any excess business holdings as defined in subsection (c) of Section 4943 of the Code;

d. Shall not make any investments in such a manner as to subject this Branch to tax under Section 4944 of the Code; and

e. Shall not make any taxable expenditure as defined in subsection (d) of the Section 4945 of the Code.

12.5 Conflict of Interest Provisions. A conflict of interest or an appearance of a conflict of interest may arise when a Director has a direct or indirect interest in another entity which enters into a transaction with the Branch, including, but not limited to, applications for grant or loan support. Direct or indirect interest includes any legal, equitable or fiduciary interest or position in an entity by a Director or a member of a Director’s family. Any such interest shall be disclosed and made a matter of record at the time of election to the Board and maintained through an annual procedure and when the interest becomes a matter of Board action. No Director having a conflict of interest in any matter shall be counted in determining the quorum for the meeting, nor present when the matter is discussed or voted on. Meeting minutes shall reflect that the disclosure was made, that the Director abstained and was not present during the discussion or vote, and that a quorum existed not counting such Director. The conflict of interest provisions of this Section 5 shall be in addition to and not in lieu of the applicable provisions of New Hampshire law regarding conflicts of interest.