

**ARTICLES OF INCORPORATION
of the
BORDER ROUTE TRAIL ASSOCIATION, INC.**

The undersigned, for the purpose of forming a corporation pursuant to the provisions of the Minnesota Nonprofit Corporation Act, Minnesota Statutes, Chapter 317A, adopt the following Articles of Incorporation:

ARTICLE I

The name of the corporation shall be Border Route Trail Association, Inc.

ARTICLE II

The purposes of this Corporation shall be to:

1. Act as a charitable organization to support the maintenance and long term preservation of public works such as the Border Route Trail and other public hiking, backpacking, and cross country ski trails;
2. Provide education:
 - a. on the development of leadership and self-reliance skills necessary to lead trail maintenance trips as aid and encouragement to interested persons;
 - b. in the form of information and training regarding:
 - i. wilderness and trail safety
 - ii. wilderness first aid
 - iii. trail maintenance techniques
 - iv. the operation and care of trail maintenance equipment
 - c. with regard to appreciation and conservation of the natural environment as it concerns these trails,
 - d. on outdoor and wilderness experiences involving the Border Route Trail and other trails as an introduction or advancement to organizational members and/or the general public.

The Corporation shall have only such powers as are consistent with the foregoing purposes, including the power to acquire and receive funds and property of every kind and nature whatsoever, whether by purchase, conveyance, lease, gift, bequest or otherwise, and to own, hold, invest, expend, make gifts and contributions of, and to convey, transfer, and dispose of any funds, property and income therefrom for the furtherance of the purposes of the Corporation, and to lease, mortgage, encumber, invest and use the same, and such other powers which are consistent with the foregoing purposes and which are afforded to the Corporation by the Minnesota Nonprofit Corporation Act, and any future laws amendatory thereof and supplementary thereto. Provided, further, that all such powers of the Corporation shall be exercised only so that the Corporation's operations shall be exclusively within the contemplation of both Section 501 (c) (3) of the Internal Revenue Code, as now enacted or as hereafter amended, and of Section 290.05, Subdivision 1 (J), of the Statutes of the State of Minnesota, as now enacted or as hereafter amended. No substantial part of the property or the income of the Corporation shall be used for the purpose of carrying on propaganda or otherwise attempting to influence legislation, and in no event shall the Corporation participate in, or intervene in (including the publishing or distributing statements) any political campaign on behalf of any candidate for public office.

ARTICLE III

The Corporation does not and will not afford pecuniary gain, incidentally or otherwise, to its members. No part of the property or the income of the Corporation or any other pecuniary gain or profit shall inure to any member of the Corporation except that reasonable compensation may be paid for services rendered to or for the Corporation. In the event of dissolution of the Corporation all of its then assets shall be distributed as follows:

- (a) The dissolution shall be conducted under Court supervision if required under the Statutes of the State of Minnesota or deemed desirable by the Corporation in such manner as in the judgment of the Court will accomplish the general purposes for which the dissolved Corporation was organized.
- (b) If a dissolution under Court supervision is not so required or deemed desirable, the assets of the Corporation shall be distributed to or for the benefit of organizations, causes or projects, for and to which gifts are deductible from income of a donor under the Internal Revenue Code and under the Statutes of the State of Minnesota, to the extent then possible. If the Internal Revenue Code, as hereafter amended, does not provide for such a deduction, then the distribution shall be made to one or more state or local governments for a public purpose.

In the event of dissolution, none of the assets shall be transferred to or in any respect whatsoever inure to or for the benefit of any member of the Corporation.

The Corporation shall not lend any of its assets to an officer, director or member of the Corporation nor guarantee to any other person the payment of a loan by an officer, director or member of the Corporation.

ARTICLE IV

The period of duration of the Corporation shall be perpetual.

ARTICLE V

The registered office of the Corporation in Minnesota shall be located in Edina, Minnesota, 55439.

ARTICLE VI

The names and address of the incorporators, each of whom is a natural person of full age, are:

Mary Gute, president
563 Cleveland Avenue South
Saint Paul, Minnesota 55116

Chris Lenhart, vice president
3540 34th Ave. South
Minneapolis, Minnesota 55406-2733

John Elliott, treasurer / equipment manager
5904 Lee Valley Road
Edina, Minnesota 55439

ARTICLE VII

The Board of Directors shall consist of from three (3) to thirteen (13) persons, each of the following shall serve until the first annual meeting of the members:

Mary Gute, president
Chris Lenhart, vice president
John Elliott, treasurer / equipment

ARTICLE VIII

The conditions and terms of and the qualifications for membership in the Corporation shall be provided in the By-Laws of this Corporation.

ARTICLE IX

The Corporation shall have no capital stock.

ARTICLE X

The members, directors and officers of this Corporation shall not be personally liable for the obligations of the Corporation.

IN. WITNESS WHEREOF, the undersigned incorporators have executed these Articles of Incorporation on the _____ day of October, 2003.

In the presence of:

**BY-LAWS
OF THE BORDER ROUTE TRAIL ASSOCIATION, INC.**

ARTICLE I Membership

Section 1.01. Classes of Membership and Selection of Members. The members of this Corporation shall be limited to the number and classes of members fixed and authorized from time to time by the Board of Directors. The initial classes of memberships shall be as follows:

- (a) Regular Member. A person who pays the annual dues of the Corporation as fixed by the Board of Directors;
- (b) Honorary Member. A person who has made an outstanding contribution to the Corporation and has been granted such membership by the Board of Directors.

Section 1.02. Voting Rights. At all meetings of members, each member of the Corporation shall be entitled to one (1) vote.

Section 1.02. Membership Dues. The Corporation may levy dues or assessments, or both, upon its members. The Board of Directors shall fix the amount of dues from time to time and determine their methods of collection.

Section 1.04. Termination of Membership. The Board of Directors may terminate any membership with or without cause. Upon termination the holder of such membership shall immediately lose all of the rights and privileges afforded by their membership but without such termination releasing the holder thereof from the payment of any assessments which may be owing to the Corporation at the time of termination. In the event of termination of membership, the member shall have no recourse whatsoever against the Corporation, its assets, members, officers, Board of Directors, agents or employees, and, as a term of membership in the Corporation, the member expressly waives any and all claims, demands and causes of action whatsoever that might arrive by virtue of such termination of membership.

ARTICLE II Meetings of Members

Section 2.01. Annual Meeting. The Annual Meeting of the members shall be held on the second Thursday of January of each year, the time and place thereof to be determined by the Board of Directors, for the purpose of electing the officers of the Corporation and for the transaction of such other business as shall come before the meeting.

Section 2.02. The General Meeting. There shall be an open General Membership Meeting every other month or when deemed necessary by the Board of Directors.

Section 2.03. Special Meeting. A Special Meeting of the members may be called by mail, telephone, e-mail, or in person.

Section 2.04. Notice. Notice of membership meetings shall be given by mail, telephone, e-mail, or in person.

Section 2.05. Written Action. Any action which might be taken at a meeting of the members may be taken without a meeting if done in writing and signed by two-thirds of the members.

ARTICLE III Directors

Section 3.01. Membership and General Powers. The Board of Directors shall consist of those Officers as listed in Article IV, Section 4.01, and those three (3) persons who are Directors at Large of this Corporation. Those Directors who are Officers shall be elected as per Article IV, Section 4.02, and shall serve for a term of one (1) year or until their successors have been duly elected and qualified.

The Board of Directors shall be charged with the responsibility of establishing an Annual Budget and an Annual Statement of Policy and Activities. Any action taken by the Board of Directors may be overruled by the vote of two-thirds of those members attending a regularly scheduled general meeting provided that such a pending vote to overrule shall be duly announced at least 30 days in advance at such place as may be designated by it for the purpose of transacting such business as shall come before the meeting.

Section 3.02. Annual Board Meeting. The Board of Directors shall meet on the second Thursday of January of each year at such time and place as may be fixed by resolution adapted by a majority of the whole Board of Directors.

Section 3.03. Regular Meeting. Regular meetings of the Board of Directors shall be held from time to time at such time and place as may be fixed by resolution adopted by a majority of the whole Board of Directors.

Section 3.04. Special Meeting. Special meetings of the Board of Directors may be called by the President, or by any two of the Directors, and shall be held from time to time at such time and place as may be designated in the notice of such meeting.

Section 3.05. Notice of Meetings. Notice shall be given of each annual, regular and special meeting of the Board of Directors. Notice of each annual or regular meeting of the Board of Directors shall be given by the Secretary at least two (2) weeks prior thereto to each Director. Notice of special meetings shall be given to each Director at least 24 hours in advance by the President or Secretary. Notice shall be given by mail, telephone, e-mail, or in person.

Section 3.06. Waiver of Notice. Notice of any meeting of the Board of Directors may be waived either before, at, or after such meeting in writing signed by each Director. A Director, by attendance and participation in the action taken at any meeting of the Board of Directors, shall be deemed to have waived notice of such meeting unless the Director attends for the sole purpose of objecting to the holding of the meeting due to insufficient notice.

Section 3.07. Quorum: Required Vote. Except as otherwise provided in these By-Laws, a quorum for the transaction of business at any meeting of the Directors shall consist of one-half of the entire active membership of the Board, plus one, and the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. The vote of a majority of the entire active membership of the Board shall be required for the approval of the Annual Budget, the Annual Statement of Policy and Activities, and amendments to the By-Laws.

Section 3.08. Committees: The Board of Directors may establish committees from time to time making such regulations as it deems advisable with respect to the membership, authority and procedures of such a committee.

Section 3.09. Written Action. Any action which might be taken at a meeting of the Board of Directors, or any duly constituted committee thereof, may be taken without a meeting if done in writing and signed by all of the Directors or committee members.

ARTICLE IV Officers

Section 4.01. Number. The officers of the Corporation shall consist of the President, the Vice President/Trail Maintenance Coordinator, the Treasurer, the Secretary, the Equipment Coordinator, as well as other officers and agents as may from time to time be elected by the members or appointed by the Board of Directors. Each position shall entitle the holder or holders to a total of one vote per position on the Board of Directors and the Executive Committee. In the event where one person shall hold two positions on the Board of Directors, that person shall be allowed only one vote.

Section 4.02. Election Term of Office and Qualifications. At each annual meeting of the members, the members shall elect a President, a Vice President the Trail Maintenance Coordinator, the Treasurer, the Secretary, the Coordinators of Equipment and such other officers as may be deemed advisable, all of which said officers shall be Directors of the Corporation. The officers shall hold office until the next annual meeting of members or until their successors are elected and qualified. All officers shall continue to hold office until the election and qualification of their successors notwithstanding an earlier termination of their membership on the Board of Directors. The officers of the Corporation shall compose the Executive Committee, which such Executive Committee shall be authorized to manage the business of the Corporation at intervals between meetings of the Board of Directors and to allot and appropriate funds of the Corporation.

Section 4.03. Removal and Vacancies. Any officer may be removed from his or her office by the vote of two-thirds of those members attending a regularly scheduled general meeting provided that such a pending vote for removal shall be duly announced with 30 days' notice. Said removal from office may be with or without cause, and no officer shall be granted any contractual right to office. If there is a vacancy among the officers of the Corporation by reason of death, resignation or otherwise, such vacancy shall be filled for the unexpired term by the Board of Directors.

Section 4.04. President. The President shall: 1) have general management of the business of the Corporation; 2) preside at all meetings of the members and Directors; 3) appoint all committee chairs (except as are elected by the members); 4) serve as a member *ex officio* of all committees; 5) serve as the chief executive officer of the Corporation; 6) ensure that all orders and resolutions of the Board of Directors are carried out; 7) approve purchases over \$200 together with the Board member affiliated with said purchase; and 8) perform all duties usually incident to the office of President and such other duties as may from time to time be prescribed by the Board of Directors.

Section 4.05. Vice President/Trail Maintenance Coordinator. The Vice President/Trail Maintenance Coordinator shall be responsible for making available an adequate number of BRT maintenance trips to the Corporation's members and shall have such powers and shall perform such duties as may be specified in the By-Laws or prescribed by the Board of Directors

or by the President. In the absence or disability of the President, the Vice President/Trail Maintenance Coordinator shall succeed to the power and duties of the President.

Section 4.06. Treasurer. The Treasurer shall: 1) supervise the handling of the moneys of the Corporation in accordance with instructions given by the Board of Directors or Executive Committee; 2) keep accurate records and account of the contributions to, and the receipts of, the Corporation, its investments, bank deposits, earnings, and all disbursements; 3) maintain bank accounts for the Corporation in such banking institutions as the Board of Directors may direct; 4) shall deposit funds of the Corporation therein, subject to withdrawal only by checks signed by persons specified by the Board of Directors; 5) render to the Board of Directors at each regular meeting accounts of the financial condition of the Corporation; and 6) furnish such other information as may be required by the Board of Directors.

Section 4.07. Secretary. The Secretary shall: 1) take minutes of the meetings of the members and the Board of Directors; 2) record all proceedings of such meetings; 3) give proper notice of meetings of members or the Board of Directors; 4) perform such other duties as may from time to time be prescribed by the Board of Directors or by the President.

Section 4.08. Equipment Coordinator. The Equipment Coordinator shall be responsible for the acquisition, repair, maintenance, issuance and usage instructions with respect to all equipment.

Section 4.09 Elections to Office. The President shall appoint a Nomination Committee at least four (4) weeks in advance of the Annual Meeting, which such Nomination Committee shall nominate candidates for each of the regular offices and post the names at least one (1) week before the Annual Meeting at which time the election shall take place. The Nomination Committee shall obtain the consent of each nominee before submitting the name to the general membership. Nominations from the floor shall be called for by the Presiding Officer at the meeting held immediately prior to the vote for each position and shall be accepted at any time prior to the vote for that particular position.

ARTICLE V Committees

Section 5.01. Regular Committees. The following Regular Committees shall and hereby are established:

- (a) Trail Maintenance Committee
- (b) Equipment Committee
- (c) Publicity Committee

Section 5.02. Special Committees. Special Committees include the Nomination Committee and any other committee that the Board of Directors finds necessary. The committees shall be appointed for specific purposes.

ARTICLE VI Seal, Books and Records, Audit, Fiscal Year, Salaries and Budgets

Section 6.01. Corporate Seal. This Corporation shall have no seal.

Section 6.02. Books and Records. The Board of Directors of the Corporation shall cause to be kept:

- (1) correct and complete books of account; and
- (2) minutes of proceedings of meetings of members, the Board of Directors, and committees having any of the authority of the Board of Directors.

Section 6.03. Financial Audit. The Board of Directors shall engage a CPA to audit the records and books of account of the Corporation at least once in each year and at such other times as it may deem necessary or appropriate.

Section 6.04 Equipment Inventory The Board of Directors shall cause an inventory of equipment owned by the corporation to be conducted once a year.

Section 6.05. Annual Accounting Period. The annual accounting period of the Corporation shall be from January 1st to December 31st.

Section 6.06. Examination by Members and Directors. Every member or Director of the Corporation shall have a right to examine, in person or by agent or attorney, at any reasonable time or times, for any proper purpose, and at the place or places where usually kept, all books and records of the Corporation and to make extracts there from.

Section 6.07. Information to Members and Directors. Upon request by a member or Director of the Corporation, the Corporation shall furnish to the individual a statement showing the financial results of all operations and transactions affecting income and surplus during the Corporation's last annual accounting period and a balance sheet containing a summary of its assets and liabilities as of the closing date of such accounting period.

Section 6.08. Salaries, Budget and Reimbursement of Expenses. Salaries of all officers and employees of the Corporation must be approved by the affirmative vote of two-thirds of the whole Board of Directors plus the majority of the members present at a regularly scheduled general meeting. Such a vote shall be duly announced at the preceding two (2) regularly scheduled general meetings. Salaries paid by the Corporation shall be commensurate with the amount of time spent by the officer or employee on Corporation business and with comparable salary rates in similar organizations. The annual budget and subsequent changes therein must be approved by the affirmative vote of the majority of the whole Board of Directors. Individual expenses shall be reimbursed by the Treasurer upon documentation of expense provided that such expenses fall within said committee's annual budget. Members will be reimbursed for expenses incurred on behalf of the Corporation. An itemized report of any expenses incurred shall be signed by the Director and submitted to the President and Treasurer prior to reimbursement.

ARTICLE VII Indemnification

Section 7.01. Each present or future Director of officer, whether or not in office, and the executors, administrators or other legal representatives of any such Director or officer, shall be indemnified by the Corporation against all reasonable costs and expenses (including the cost of reasonable settlements made with a view to curtailment of cost of litigation but exclusive of any amount paid to the Corporation in settlement) and counsel fees paid or incurred in connection with, or arising out of, any action, suit or proceeding to which any such Director or officer of his or her executors, administrators or other legal representatives may hereafter be made a party

by reason of his or her being or having been a director or officer of the Corporation; provided 1) the action, suit or proceeding shall be prosecuted to final determination, and it shall not be finally adjudged that he or she had been derelict in the performance of his or her duties as such director or officer, or 2) the action, suit or proceeding shall be settled or otherwise terminated as against such Director or officer or his or her executors, administrators or other legal representatives without a final determination on the merits, and it shall be determined that such Director or officer had not in any substantial way been derelict in the performance of his or her duties as charged in such action, suit or proceeding, such determination to be made by a majority of the members of the Board of Directors who were not parties to such action, suit or proceeding, although less than a quorum, or by anyone or more disinterested persons to whom the question may be referred by the Board of Directors.

For the purposes of the preceding sentence, a) "action, suit or proceeding" shall include every action, suit or proceeding, civil, criminal or other; b) the right of indemnification conferred thereby shall extend to any threatened action, suit or proceeding, and the failure to institute it shall be deemed its final determination; c) a judgment or conviction in any criminal action, suit or proceeding shall not constitute a determination that the person so convicted has been derelict in the performance of his or her duties if it is determined by a majority of the members of the Board of Directors who were not a party thereto, although less than a quorum, or by any or more disinterested persons to whom the question may be referred by the Board of Directors that the person so convicted acted in good faith, for a purpose which he or she reasonably believed to be in the best interest of the Corporation, and that he or she had no reasonable cause to believe that his or her conduct was unlawful. The Corporation shall also indemnify an employee who is not an officer to the same extent that it does an officer. The foregoing right of indemnification shall not be exclusive of any other rights to which any Director or officer or employee may be entitled as a matter of law or which may be lawfully granted to him or her.

ARTICLE VIII Amendments

Section 8.01. These By-Laws may be amended by a vote of two-thirds of the Directors who are present and entitled to vote at any meeting of the Board of Directors at which a quorum is present, provided that notice of the proposed amendment shall have been given to the Directors in the notice of such meeting. Amendments shall also require the approval of two-thirds of the Members who are present and entitled to vote at any general meeting, provided that notice of the proposed amendment shall have been given to the Members at the two regularly scheduled general meetings preceding the vote.