

Bylaws
La Cañada Wireless Association

ARTICLE I — OFFICES

The principal office of La Cañada Wireless Association (LCWA) in the State of New Mexico shall be located in Santa Fe County. LCWA shall continuously maintain a registered office and agent in New Mexico.

ARTICLE II — PURPOSE

The purpose of LCWA is to provide connections to the Internet to residents of Santa Fe County and surrounds, utilizing a community-based, non-profit, member-owned business model. LCWA is committed to fulfilling this goal while maintaining high levels of service and keeping members' costs as low as possible. Another purpose of LCWA is to support community networking in the same area. Any other business activities may be pursued in support of the purposes stated above.

ARTICLE III — MEMBERSHIP

SECTION 1. QUALIFICATIONS FOR MEMBERSHIP. Membership is open to any person, business, or family whose home or business is located roughly within the La Cañada land grant, who agrees to abide by the Service Agreement and Bylaws established by the Board of Directors (the Directors), and who pays the dues and fees set by the Directors. A business or individual applicant shall be considered a member upon acceptance of their application and receipt of dues and fees, as established by the Directors. The Service Agreement, as established by the Directors, shall be uniform in its application to all members. LCWA reserves the right to deny membership to anyone, or terminate a Member's membership for any reason. In such an event, any prepaid service fees will be refunded.

SECTION 2. SUSPENSION OF SERVICE OR MEMBERSHIP. The Directors, or the Technical Group designated by the Directors, may suspend, without prior notice, a member household's service, for interference with network operations or for violation of policies of network use, as set by the Directors, if such suspension is, in the opinion of the Directors or the Technical Group, necessary to protect the integrity of the services provided by the LCWA. However, a member household shall be given notice of such suspension as soon as is reasonably possible after such suspension, and the suspended member household's service shall be reinstated within 24 hours after the interference is eliminated and the Technical Group approves such reactivation and, in the case of usage violations, the member household agrees in writing to cease the specific policy violations. The Directors may set reactivation fees. Network interference includes but is not limited to initiation of broadcast storms, advertisement of improper routes, continual operation at high error rates, email spamming, software piracy, hacking into member household or non-member household computers, and any violations of state or federal laws.

The Directors, upon majority approval, may suspend a member household after 30 days notice for failure to pay required fees or comply with the Service Agreement. In the event that the non-payment or failure to comply with the Service Agreement is corrected within 30 days of notice of the same to the member household, the member household may be reinstated upon majority approval of the Directors.

SECTION 3. MEMBERSHIP MEETINGS. An annual meeting of the member households shall be held as soon as possible on or after the first Sunday of March in each year, beginning with the year 2003, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. A meeting shall be by any means possible including electronic and telephone conferencing, at the discretion of the Directors, provided that all participating members

are able to hear or read the substance of the discussion and to participate in the meeting.

Special meetings of the member households, for any purpose or purposes, unless otherwise proscribed by statute, may be called by the President or by the Directors.

A written or printed meeting notice shall be delivered not less than five days before the date of the meeting, either personally, by electronic mail, or by postal mail, by or at the direction of the Directors to each member of record. If postal mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at their address as it appears on the books of the LCWA, with postage thereon pre-paid. If electronically mailed, notice, shall be deemed to be delivered upon submission to an electronic mail transfer agent.

All members in good standing at the time of the meeting shall have a vote in matters requiring such at the meeting.

SECTION 4. MEMBERSHIP RECORD. The Secretary shall make a complete list of the member households in good standing entitled to vote at any meeting. The member household list shall be subject to inspection by any member household by request.

SECTION 5. QUORUM. At any meeting of member households, one fifth of the member households attending in person or by proxy shall constitute a quorum. The departure during the meeting of enough member households to leave less than a quorum shall still constitute a quorum.

SECTION 6. PROXIES. Voting by proxy is allowed using methods determined by the Directors.

SECTION 7. VOTING. Each member entitled to vote in accordance with the terms and provisions of the bylaws shall be entitled to one vote. All election questions shall be decided by majority vote except as otherwise provided in these bylaws. A member household whose dues and fees are not paid 30 days from due date forfeits all rights and cannot vote and shall not be considered in determining the number of member households.

SECTION 8. RELINQUISHMENT OF MEMBERSHIP. Any member household, at their discretion, may voluntarily relinquish their membership by giving 30 days written notice to the Secretary or Treasurer. Any membership funds paid in advance by the member household beyond termination may be rebated at the sole discretion of the Board on a pro-rated basis.

A member's dissolution right is not forfeited when the member's membership is withdrawn or terminated. The terminating member shall be entitled to a distribution upon the dissolution of the corporation.

ARTICLE IV — BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The Board of Directors shall manage the business and affairs of the LCWA. The Directors shall in all cases act as a Board, and they may adopt such rules and regulations as they deem proper, not inconsistent with these Bylaws and the laws of the State of New Mexico, for the conduct of their meetings and the management of the LCWA.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors of LCWA shall be no fewer than three or more than eight. The initial Board shall be comprised of seven Directors. Thereafter, within the bounds above, the number of Directors shall be set by resolution of the Directors. Each Director shall serve for a two-year term. (In the first Board election, 4 Directors shall be elected to 2-year terms and 3 Directors shall be elected to 1-year terms). Board of Directors elections shall be held every year in March and the Directors shall take office immediately upon election.

SECTION 3. MEETINGS. The Directors shall hold additional regular or special meetings, with or without notice, to conduct the business of the LCWA, as determined by the Directors.

SECTION 4. QUORUM. At any meeting of the Directors a majority shall constitute a quorum for the transaction of business.

SECTION 5. MANNER OF ACTING. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

An act of all of the Directors voting by teleconference or electronic mail shall be the act of the Directors. Such vote shall be recorded in the minutes of the next regular or special meeting. Any dissent in such vote shall defer the matter to the next regular or special meeting.

SECTION 6. NEWLY CREATED DIRECTORSHIPS AND VACANCIES. Newly created Directorships resulting from an increase in the number of Directors and/or vacancies occurring in the Board for any reason may be filled by a vote of a majority of the membership. A Director elected to fill a vacancy shall hold office for the remaining term of his predecessor.

SECTION 7. RESIGNATION. A Director may resign at any time by giving written or electronic mail notice to the Secretary or President of the Board. Acceptance of the resignation shall not be necessary to make it effective.

SECTION 8. COMPENSATION. No compensation shall be paid to Directors, acting as such, for their services.

SECTION 9. COMMITTEES. The Directors shall appoint a Technical Group of no fewer than three members. All initial network service connections and connection changes shall be subject to approval by the Technical Group. The Technical Group shall have authority to suspend service to any member whose service connection or use of service adversely interferes with the service of other members, the LCWA, or connected networks such as the Internet. A member's service may be reinstated on approval of the Technical Group. The Directors may create other committees, as necessary.

SECTION 10. ANNUAL REPORT. The Directors shall be responsible for filing, as required by statute, an Annual Report with the office of the Secretary of State.

SECTION 11. REMOVAL OF DIRECTOR FROM BOARD. A Director may be removed from the board whenever the best interests of the Association would be served thereby. Such removal shall be accomplished at a meeting by a two-thirds majority of the members eligible to vote. Once removed, the director may continue as a member of the association.

ARTICLE V — OFFICERS

SECTION 1. NUMBER. The officers of the LCWA shall be a President, a Vice-President, a Secretary, and a Treasurer, each of whom shall be a member of a member household and elected by the Directors. The offices of Secretary and Treasurer may be held by the same person.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the LCWA to be elected by the Directors shall be elected annually at the first meeting of the Directors held after each annual meeting of the member households.

SECTION 3. REMOVAL. Any officer, elected or appointed by the Directors, may be removed by the Directors whenever, in their judgment, the best interests of the LCWA would be served thereby.

SECTION 4. VACANCIES. A vacancy in any office may be filled by the Directors for the remaining portion of the term.

SECTION 5. PRESIDENT. The President shall be the chief executive officer of the LCWA and, subject to the control of the Directors, shall in general supervise and control all of the business and affairs of the LCWA. The President shall, when present, preside at all meetings of the member households and of the Directors. The President may sign, with the Secretary or any other proper officer of the LCWA thereunto authorized by the Directors, certificates of membership of the LCWA, any deeds, mortgages, bonds, contracts, or other instruments which the Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Directors or by these bylaws to some other officer or agent of the LCWA, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Directors from time to time.

SECTION 6. VICE-PRESIDENT. In the absence of the President or in the event of his or her death, inability or refusal to act, the Vice-President 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. The Vice-President shall perform such other duties as from time to time may be assigned by the President or the Directors.

SECTION 7. SECRETARY. The Secretary shall maintain a list of member households, see that all notices of the LCWA are duly given, have general charge of the records of the LCWA, including membership records, and in general perform all duties incident to the office of Secretary. Additionally, the Secretary or their designate, shall maintain minutes of all meetings.

SECTION 8. TREASURER. If required by the Directors, the Treasurer shall give a bond for the faithful discharge of required duties in such sum and with such surety or sureties as the Directors shall determine and at the expense of the LCWA. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the LCWA, keep full and accurate accounts of receipts and disbursements in books belonging to the LCWA, receive and give receipts for monies due and payable to the LCWA from any source whatsoever, and deposit all such monies in the name of the LCWA in such banks, trust companies or other depositories as shall be selected in accordance with these bylaws, enter or cause to be entered regularly in the books of the LCWA kept for that purpose full and accurate accounts of all monies received or paid or otherwise disposed of by the Treasurer, maintain an accounting, by member household, of all monies paid or owed by member households, render to the Directors, whenever the Directors may require, an account of the financial condition of the LCWA and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the President or by the Directors.

On an annual basis the Treasurer will record and report the total dues paid by all current and past members. This data must be maintained for legal dissolution of a 501(c)(12) non-profit corporation.

SECTION 9. AD HOC WORKING GROUPS. The President and Directors may appoint, when necessary, ad hoc working groups charged with specific limited tasks. These working groups will be automatically disbanded upon completion of their task unless the President or Directors expressly renew their charter.

ARTICLE VI — CONTRACTS LOANS CHECKS AND DEPOSITS

SECTION 1. CONTRACTS. The Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on

behalf of the LCWA and such authority may be general or confined to specific instances.

SECTION 2. LOANS. No loans shall be contracted on behalf of the LCWA and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Directors. Such authority may be general or confined to specific instances.

SECTION 3. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the LCWA, shall be signed by such officer or officers, agent or agents of the LCWA in such manner as shall from time to time be determined by resolution of the Directors. In no event shall any disbursement be made without the direct signature of two officers. All disbursements must Be approved by a simple majority of a meeting of the Board.

SECTION 4. DEPOSITS. All funds of the LCWA not otherwise employed shall be deposited from time to time to the credit of the LCWA in such banks, trust companies or other depositories as the Directors may select.

ARTICLE VII — FISCAL YEAR

The fiscal year of the LCWA shall begin on the first day of January in each year.

ARTICLE VIII — REVIEW OF BYLAWS AND AMENDMENTS

These LCWA Bylaws shall be reviewed no less than annually by the Directors. Any Active Member of the group may propose an amendment to these bylaws. Such a proposal shall be in writing and submitted to the Secretary at a regular meeting where it will be discussed by those attending. A full month will then be given for review of any proposal and the matter will be discussed again at the following meeting. Before the second meeting occurs, the Secretary shall send out an advance notice, along with a copy of the proposed amendment, to alert all members that a change to the bylaws is being considered. At the second meeting, the proposal may then be voted on by the membership. In order for a proposed amendment to be adopted, the attending active members shall agree by a two-thirds majority on its adoption before the bylaws are changed.

ARTICLE IX — INDEMNIFICATION

The LCWA shall indemnify, defend, and hold harmless each Officer, Director, and agent of the LCWA to the full extent of the law from and against all costs, losses, expenses, and claims incurred by such person because the person is or was a director, officer or agent of the LCWA provided such person conducted himself in good faith, the person reasonably believed that his conduct was in the LCWA's best interests, in the case of conduct in such person's official capacity, or in all other cases, his conduct was at least not opposed to the LCWA's best interests, and in the case of any criminal proceeding, the person had no reasonable cause to believe that his conduct was unlawful.

The LCWA shall have the power to purchase and maintain insurance on behalf of any present or former director, officer, or agent of the LCWA.

ARTICLE X — INCOME AND DISTRIBUTIONS

SECTION 1. INCOME. As a member owned cooperative LCWA's primary function is to provide services to members substantially at cost. At least 85% of LCWA's income in each calendar year must be collected from members for the sole purpose of meeting losses and expenses in that calendar year or future years. Any excess income belongs to members in

proportion to the total dues they have paid.

SECTION 2. DISTRIBUTIONS. The Directors shall at the end of each fiscal year provide for the distribution of the LCWA's excess funds from operation remaining after expenses have been met, according to the following method:

First, the Directors shall allocate from such excess funds to a General Surplus Reserve an amount it shall determine to be necessary or appropriate as a reasonable reserve for future operating expenses, operating deficits, losses and unanticipated costs or expenses. The amount so allocated shall be the indivisible property of the LCWA as a whole.

Second, the Directors shall allocate from remaining net savings to a Facilities and Maintenance Reserve an amount it shall determine to be necessary or appropriate to fund replacement or expansion of network facilities. This amount shall also be the indivisible property of the LCWA as a whole.

Third, the Directors may, at their discretion, allocate from remaining excess funds an amount for reimbursement of initial capital investments in the LCWA.

The remainder of the excess funds shall be distributed, at the discretion of the Board of Directors, to the member households as a credit or in cash.

ARTICLE XI DISSOLUTION

Upon dissolution of the corporation gains from sale of appreciated assets shall be distributed to current and past members in proportion to the total dues paid by each member. With approval of the board LCWA assets may be distributed instead of cash using a reasonable method for valuing such assets. The board must approve the method of sale or valuation of assets.

These bylaws adopted by the board of directors on _____.

President _____

Secretary _____