

**PROPOSED CONSTITUTION
OF THE NEW MEXICO SQUARE AND ROUND DANCE ASSOCIATION, INC.**

I. NAME

- A. The name of the association shall be the New Mexico Square and Round Dance Association, Incorporated, hereafter called NMSRDA or the corporation.
- B. This organization shall be a not-for-profit 501 (c) (7) incorporated entity. No member organization or individual delegate shall have any vested interest in any funds, property, or assets of the organization.

II. PURPOSE

- A. The purpose of NMSRDA shall be to encourage, propagate, and coordinate square dancing, round dancing, and related activities within the State of New Mexico portions of the border region designated as included in the NMSRDA's area of responsibility.

RECOMMENDATION – Lorraine Pratt

- .B. To effect the publication at regular intervals of a magazine containing information of interest to square and round dancers in the State of New Mexico.
- C. To cause an annual “New Mexico Square and Round Dance Festival” to be held.

III. MEMBERSHIP

- A. Membership shall be open to all square and round dancers without regard to race, creed, color, religion, or ethnic background.
- B. Definition and election of members shall be as set forth in the NMSRDA's By-Laws.

IV. OFFICERS

- A. Officers of NMSRDA shall be as defined in the By-laws.
- B. All officers of NMSRDA shall serve for one year.
- C. Duties for each office shall be as set forth in the By-Laws of NMSRDA.

BOARD OF DIRECTORS

- A. The Board of Directors of NMSRDA shall be as defined in the By-laws.

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- B. Members of the Board of Directors shall serve terms of one year.
- C. Vacancies on the Board of Directors shall be filled by the same method as original members were selected.

VI. MEETINGS

- A. One annual meeting of the Board of Directors shall be held during the State Festival, and a semi-annual meeting shall be held approximately midway between the annual meetings.
- B. Special meetings shall be as stated in the By-Laws.

VII. DUES

- A. Annual dues shall be set by the Board of Directors.
- B. The Board of Directors may establish an initiation fee and set the amount thereof.

VIII. TRAVELING BANNER

- A. The Board of Directors shall establish a Traveling Banner to be awarded the member club of NMSRDA having the greatest number of points accrued through attendance of its members at the State Festival. Determination of the annual winner shall be in accordance with rules set forth in the NMSRDA By- Laws.

IX. AMENDMENTS

- A. This Constitution may be amended or repealed, or other articles or sections of existing articles adopted by majority vote of members of the Board of Directors at a regular meeting, or a special meeting called for that purpose.

X. DISSOLUTION OF NMSRDA CORPORATION, DISTRICTS AND LOCAL CLUBS

Upon majority vote of the Board of Directors to dissolve the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of NMSRDA exclusively for the benefit of the NMSRDA to any exempt corporation or entity organized for purposes similar to those set forth under Section 501(c)(7) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law) as the Directors shall determine.

- A. In the event of the dissolution of NMSRDA, by lapse of time or otherwise, when it has been, or is entitled to, any interest in any funds or property of any kind, real, personal, or mixed, such funds or property rights thereto shall not be transferred to private ownership but shall be transferred to a charitable

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public trust and shall be thereafter administrated and applied to a public charitable purpose by a trustee or trustees to be appointed pursuant to law by a court of competent jurisdiction.

Recommendation – Lorraine Pratt

- A. Upon majority vote of the Board of Directors to dissolve the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of NMSRDA to any non-profit corporation that encourages, propagates, and coordinates square dancing, round dancing, and related activities.
- B. In the event of the dissolution of a District of NMSRDA by lapse of time or otherwise, when it has been, or is entitled to, any interest in any funds or property of any kind, real, personal, or mixed, such funds or property rights thereto shall not be transferred to private ownership but shall be transferred to the NMSRDA Treasurer. No distributions of any kind or to any other entity shall be permitted.
- C. In the event of the dissolution of a Local Club by lapse of time or otherwise, when it has been, or is entitled to, any interest in any funds or property of any kind, real, personal, or mixed, such funds or property rights thereto shall not be transferred to private ownership but shall be transferred to the District Treasurer to which it belonged. No distributions of any kind or to any other entity shall be permitted.

Recommendation – Randy Pratt/ Lorraine Pratt

B. In the event of the dissolution of a District of NMSRDA, any funds or property will be distributed in accordance with said District By-laws.

C. In the event of the dissolution of a Local Club, any funds or property will be distributed in accordance with said Club By-laws.

D. In the event of the dissolution of a Local Caller or Cued led Club, any funds or property will remain the property of the caller or cuer.

Recommendation - Bob Nolan

In the event of the dissolution of a Local Club, any funds or property will be distributed in accordance with said Club By-laws. If By-Laws, were created under the State or District EIN then, the state's By-Laws take precedence. If clubs have their own EIN or Tax ID not created under the state's EIN, then the club's dissolution is governed by the owner.

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XI. INDEMNIFICATION – This section was modeled after the USDA Constitution and protect current and past officers from personal liability in the event of legal action. All references to Section 1 a-c included in the original USDA model have been removed.

- A. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) 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 as a Director or Officer, of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines 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 which such person reasonably believed to be in or not opposed to the best interest of the Corporation, and with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interest of the Corporation, nor, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that such conduct was unlawful.
- B. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor 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 as a Director or Officer of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interest of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of such persons' duty to

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the Corporation unless and only to the extent that the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such Court shall deem proper.

- C. Any indemnification, unless ordered by the Court, shall be made by the Corporation only as authorized in a specific case upon a determination that indemnification of the Director or Officer is proper in the circumstances because such person has met the applicable standards of conduct set forth in the Bylaws. Such determination shall be made:
1. By the Board of Directors, by a unanimous vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or
 2. If such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion; or
 3. To the extent that such a Director or Officer has been successful on the merits or otherwise in defense of any action, suit or proceeding, or in defense of any claim, issue, or matter therein, such person shall be indemnified by the Corporation against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.
- D. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized upon receipt of an undertaking by or on behalf of the Director or Officer to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the Corporation.
- E. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized upon receipt of an undertaking by or on behalf of the Director or Officer to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the Corporation.
- F. The indemnification provided shall continue as to a person who has ceased to be a Director or Officer and shall inure to the benefit of the heirs, executors, and administrators of such person.

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- G. The powers and duties of the Corporation to indemnify any person under this section shall apply with equal force whether an action, suit, or proceeding is threatened or commenced in the state of incorporation or outside the state.

XII. FURTHER INDEMNIFICATION

- A. If now or hereafter the laws of this State shall so permit, any Director or Officer of the Corporation who is then serving or who has theretofore served in such capacity shall further be entitled to all additional indemnification or reimbursement from the Corporation to the full extent permitted by applicable laws, for his damages and so much of his expenses of defense, including attorneys' fees, which are actually incurred in the defense of any suit or action, criminal or civil, seeking to establish such Officer's or Director's liability arising out of his alleged dereliction of duty to the Corporation.

XIII. INDEMNIFICATION PROCEDURE

- A. Any Officer or Director seeking indemnification hereunder shall follow such prescribed procedures as the Board of Directors of the Corporation and applicable laws shall require.