

June 24, 2009

RESTATED BYLAWS

FRIENDS OF THE PARAGON CAROUSEL, INC.

ARTICLE I

NAME AND CORPORATE STATUS

Section I – Name: The name of the corporation is “Friends of the Paragon Carousel, Inc.”, hereinafter referred to as **Friends**.

Section II – Corporate Status: Friends is a non-profit corporation sponsored by interested citizens and businesses of the Town of Hull and of the Boston, Massachusetts metropolitan area. Any individual, organization, foundation or agency interested in furthering the overall purposes of Friends may be a member. Friends has been established to operate as a non-profit corporation in accordance with Chapter 180 and other applicable laws of the Commonwealth of Massachusetts. The corporation is tax exempt as qualified by Section 501(c)(6) of the Internal Revenue Code.

ARTICLE II

MISSION STATEMENT

Mission: Friends’ mission is to restore, preserve and operate the Philadelphia Toboggan Company carousel #85, commonly known as the Paragon Carousel, located in Hull, Massachusetts (the “Carousel”). Friends may partner with, work and cooperate with

individuals and other entities, groups, organizations, officials and private and public governmental agencies.

ARTICLE III

MEMBERSHIP

Section I – Membership: Membership in Friends is open to all individuals, business firms, organizations, agencies, foundations and entities interested in promoting Friends’ mission and purpose. There are three kinds of members, namely honorary members, sustaining members and general members. Honorary membership may be conferred upon individuals or entities who exemplify a strong commitment to the Friends’ mission. Sustaining membership shall be granted to individuals and entities who are dues-paying members at a sustaining level. General membership shall be granted to individuals or entities who pay dues at a level less than the dues established for sustaining members.

Section II – Dues: Annual sustaining members dues shall be determined by majority vote of the Board of Directors (the “Board”), which may establish other lesser levels of dues, whether for groups, senior citizens, students or others. Sustaining members shall constitute the voting class of members.

Section III – Meetings: There shall be an annual sustaining members meeting during each fiscal year for the presentation of a financial report for the previous fiscal year and for such other business as may be requested by the sustaining members or as determined

by the Board. Additional sustaining members meetings may be called by the Board and shall also be called upon written petition by fifteen sustaining members in good standing, which petition shall contain a statement indicating the purpose for the call of a meeting. Following receipt of a call for a meeting by petition of sustaining members, the Board shall schedule either a sustaining members or Board meeting as requested in the petition, which meeting shall be held in the Town of Hull within 45 days thereafter. All sustaining members shall be given adequate notification, as determined by the Board, before any meeting of sustaining members. Fifteen sustaining members shall constitute a quorum.

ARTICLE IV

BOARD OF DIRECTORS

Section I – Board of Directors: The Board of Directors shall consist of not less than 10 members nor more than 14 members elected by the sustaining members.

Section II – Directors – Town of Hull Selectmen: The Board of Selectmen of the Town of Hull shall have the right, but not the obligation, to appoint twenty percent (20%) of the Board. The designees shall have full power to serve as Directors in the same manner as a Board member who has been duly elected by the sustaining members. This bylaw provision may not be changed without the consent of the Town of Hull Board of Selectmen.

Section III – Director – Hull Redevelopment Authority: So long as Friends is financially indebted to the Hull Redevelopment Authority, one member of the Board shall be designated by the Hull Redevelopment Authority. The designee shall have full power to serve as a Director in the same manner as a Board member who has been duly elected by the sustaining members. This bylaw provision shall automatically end upon payment in full to, or excuse of debt by, the Hull Redevelopment Authority. This bylaw provision may not be changed without the consent of the Hull Redevelopment Authority.

Section IV – Election of Directors: Members of the Board of Directors shall be elected by a majority of the sustaining members attending the annual meeting. Directors shall take office on the first day of the month following the annual meeting in which they are elected.

Vacancies on the Board of Directors shall be filled at a regular or special meeting of the Board of Directors called for elective and other purposes.

Section V – Term of Office: Following the adoption of these Restated Bylaws, Directors shall serve staggering terms of office. One-third of the current Directors shall serve for a term of one year; one-third of the current Directors shall serve for a term of two years; and the remaining current number of Directors shall serve for a term of three years. At the end of each of such terms, a like number of Directors shall be elected by the sustaining members for a term of three years.

Section VI – Authority: Full control of the affairs of Friends is vested in the Board of Directors. They shall have all of the powers vested in them by the laws of the Commonwealth of Massachusetts and these Restated Bylaws.

Section VII – Responsibility: Board members shall serve as the governing body of the Friends and shall hold office until their successors are elected and qualified. They shall have control of the Friends' property and shall be responsible for its finances and direct its affairs.

Section VIII – Meetings: The Board shall hold regular monthly meetings on call of the President. Other meetings may be called by the President or by any three members of the Board. Appropriate notice of the meeting shall be given.

Section IX – Waiver of Notice: A written waiver of notice of a meeting signed by a Board member, whether before or after a meeting, shall be equivalent to the giving of such notice. Attendance of a Board member at such meeting shall constitute a waiver of notice by her or him for such meeting, except when a Board member attends for the purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was unlawfully called or convened.

Section X – Action By Consent: Routine action of the Board may be taken without prior notice and without a formal vote, so long as written consent is provided acknowledging the action taken by the majority of the Board. Consent by Board

members may be provided by communication in writing, including electronic mail (email) or facsimile transmission. Within ten (10) days after obtaining such written consent, notice shall be given to those members of the Board who have not consented in the above described manner. The notice shall fairly summarize the material features of the authorized action.

Section XI – Attendance: Directors are expected to attend all meetings of the Board.

Section XII – Vacancy. Any vacancy occurring on the Board shall be filled by the President and the Board. A Director, so elected, shall hold office for the unexpired term of the Director whose place is filled.

Section XIII – Quorum: Fifty percent (50%) of the members of the Board shall constitute a quorum for a meeting. A majority vote of the quorum may decide all matters, except for the sale, lease, encumbrance or transfer of the Carousel or Carousel property, the borrowing of money, and any other matter which would result in a substantial or significant occurrence affecting the Carousel. Any such excepted matter must be approved by at least seventy-five (75%) percent of the then serving Directors. Any Board member may raise the issue of what constitutes a substantial or significant occurrence.

Section XIV – Annual Nominations to Board of Directors: By September 15th of each year the President shall appoint a three person nominating committee. The committee

shall meet before the end of September for the purpose of selecting candidates for the Board of Directors, to serve as Directors for the terms of the next available positions on the Board.

Thereafter, the nominating committee shall notify the sustaining members of their proposed choices, to fill the expiring terms of Director. The notice shall contain the advice that the names of additional proposed Director or Directors may be nominated by written petition, signed by at least ten (10) sustaining members in good standing, offering the name or names of any other proposed Director or Directors. Any such written petition shall contain the acknowledgement of each additional proposed person that she or he is willing to serve as a Director. A petition must be received by the Friends no later than ten (10) days prior to the date of the annual sustaining members meeting. If no petition is received within that time period, nominations shall be deemed closed and the slate shall stand elected as Directors without formal election being required.

If a complete and correct written petition is filed in accordance with the requirements of these Restated Bylaws, an election of Directors, including the names of those persons presented by petition, shall be held at the next annual meeting of sustaining members.

Section XV – Removal: Directors are expected to attend all meetings of the Board. A Director shall not miss more than three consecutive meetings and shall maintain a sixty percent (60%) record of attendance over a six month period. In the event that a member of the Board of Directors misses more than three consecutive meetings and/or fails to

maintain a sixty percent record of attendance over a six month period, the Board may seek the removal of said Director by vote of the Board of Directors.

ARTICLE V

PRESIDENT AND VICE PRESIDENT

The President shall be a member of the Board of Directors and shall preside at all meetings of the sustaining members and of the Board of Directors. She or he shall sign, execute, acknowledge, and deliver, for and on behalf of Friends, such instruments in writing as the Board of Directors shall direct.

A Vice President shall be elected by the Board of Directors. The Vice President, in the absence of the President, shall have such powers and be charged with such duties, during an absence or the inability of the President to act, as the Board of Directors may prescribe or as the President may designate.

Both the President and Vice President shall have all the powers vested in them by the laws of the Commonwealth of Massachusetts and these Restated Bylaws.

ARTICLE VI

TREASURER

The Treasurer shall have charge and management of the finances of Friends and the custody of its funds, subject to the control of the Board of Directors. She or he shall have the duty to see that full and regular books of account are kept, open at all times to

the inspection of the Board of Directors, and shall make a report of Friends' financial condition at the annual sustaining members meeting and provide such other reports as required by Friends. She or he shall, if and when required by the Board of Directors, give a bond to Friends, at the expense of Friends, for the faithful performance of her or his duties in such sum and with such sureties as the Board may require. She or he shall sign, execute and deliver, for and on behalf of Friends, such instruments in writing as the Board of Directors may direct.

ARTICLE VII

CLERK

The Clerk shall be a resident of the Commonwealth of Massachusetts and duly sworn to the faithful performance of her or his duties. She or he shall attend all meetings of the sustaining members and of the Board of Directors and keep and distribute to the Board of Directors a record of the meetings. She or he shall perform such other duties as are incumbent to the office of Clerk. In her or his absence from any meeting, a clerk pro tem may be chosen.

ARTICLE VIII

AGENTS, EMPLOYEES AND REPRESENTATIVES

The Board of Directors may appoint and employ such agents, employees and representatives of Friends, who shall have such powers and authority to perform such acts or duties as the Board of Directors may determine.

ARTICLE IX

FISCAL YEAR

The Friends' fiscal year shall end on the last day of March in each year, except as may otherwise be determined by the Board of Directors.

ARTICLE X

AMENDMENTS

These bylaws may be amended at any annual or special meeting of the sustaining members by a two-thirds vote of those present and voting, provided a notice of the proposed amendment had been given to sustaining members two weeks prior to the meeting.

ARTICLE XI

INDEMNIFICATION

Each Director, Officer, or other agent or person who serves at the Friends' request, including those who had so served but are no longer such, shall be indemnified

by the Friends against all charges which may be reasonably incurred or paid by her or him in connection with any claim or threatened action, suit or proceeding (civil, criminal or other including appeals) in which she or he may be liable by reason of her or his being or having been a Director, Officer, or person acting in another capacity, made or brought against her or him by reason of any act or omission, or alleged act or omission (including any such predating the adoption of these Restated Bylaws) by her or him in any or each capacity, and also against all charges which may reasonably have been incurred or paid by her or him in reasonable settlement of any such claim, action, suit or proceeding, if she or he acted in good faith and in the manner reasonably believed to be in, or not opposed to, the best interest of the Friends, and in the case of criminal proceedings, had no reasonable cause to believe that the conduct was unlawful.

The determination of whether a settlement is or was reasonable shall be made by a majority of a quorum of the Board of Directors comprised of those Directors who are not involved in the claim, action, suit or proceeding and if there be no such quorum, then by one or more disinterested persons to whom the question may be referred by the Board of Directors.

No Director, Officer, or person designated to act for the Friends shall be personally liable to the Friends for monetary damages for breach of fiduciary duty as a Director, Officer, or person acting in another capacity, notwithstanding any provisions of law imposing such liability; provided, however, that this Article shall not eliminate or limit any liability of a Director, Officer, or person acting in another capacity (i) for any

breach of duty of loyalty to the Friends or its members; (ii) for acts or omissions in bad faith or which involve intentional misconduct or a knowing violation of law; or (iii) with respect to any thing from which the Director, Officer, or person acting in another capacity derived an improper personal benefit.

No amendment or repeal of this provision shall adversely affect the rights and protection afforded a Director or Officer or person acting in another capacity under this Article for her or his acts or omissions.

Friends shall, at all times, provide Directors and Officers insurance in such sums as the Directors shall determine from time to time. In the event the provisions of this Article may conflict with the provisions of such insurance, the provisions of the insurance policy shall prevail

ARTICLE XII

CONFLICT OF INTEREST

Nothing contained in these Restated Bylaws shall be construed to prohibit members of Friends, members of the Board of Directors or officers of Friends from doing business with Friends so long as full disclosure of the nature of such business is provided to the Board of Directors prior to the commencement of any such business.

– End of Bylaws –