

BYLAWS
OF
FREDERICKSBURG MUSIC CLUB, INC.

ARTICLE I

Name and Purpose

Section 1.1. Name. The name of this corporation is FREDERICKSBURG MUSIC CLUB, INC.

Section 1.2. Purpose. The Corporation is organized under the laws of the State of Texas for charitable, educational, social and scientific purposes. In carrying out its corporate purposes, the Corporation shall have all the powers allowed under the Texas Non-Profit Corporation Act, The purposes of the Corporation are as stated in Article IV of the Articles of Incorporation, as amended. The principal purpose may be summarized as follows: To promote and expand knowledge, understanding, and appreciation of classical music (defined as music of permanent value; not ephemeral) through live performances presented to the people of the Texas Hill Country. This will be accomplished by raising funds, engaging professional musical artists, and presenting a series of concerts each year.

ARTICLE II

Offices

The principal office of the Corporation shall be located at 2016 Briarwood Circle, Fredericksburg, Texas. The Corporation may have such other offices, within the County of Gillespie, Texas, as the business of the Corporation may require from time to time.

ARTICLE III

Members/Supporters

The Corporation shall solicit individual and corporate Members/Supporters. These Members/Supporters shall be all who join the organization and contribute financially to the organization at least annually at a level not less than a minimum amount established by the Board of Directors.

ARTICLE IV

Directors

Section 4.1. General Powers. The business and affairs of the Corporation shall be managed by its Board of Directors.

Section 4.2. Appointment. The Board of Directors shall appoint new Directors.

Section 4.3. Number. The number of Directors of the Corporation shall be from eight (8) to fifteen (15). These limits can be increased or decreased by amendment of this bylaw.

Section 4.4. Tenure. The Board shall initially draw for one (1), two (2), or three (3) year terms so that one third of the Director's terms shall expire each year. Thereafter, there shall be an annual appointment of Directors to three-year (3) terms to replace those whose terms expire. This procedure is intended to provide for stability and continuity on the Board. A Director may succeed himself/herself if duly appointed by the Board.

Section 4.5. Qualifications. Directors will be Members/Supporters (cf. Article III) who share the interests, goals and aspirations of the Fredericksburg Music Club and who are willing and available to participate actively in its management.

Section 4.6. Vacancies. Should a vacancy occur on the Board before completion of a term, such vacancy may be filled by an appointment by the Board for the remainder of that member's term. The vacancy will be filled by appointment of a person who qualifies under Section 4.5.

Section 4.7. Annual Meeting. The annual meeting of the Board of Directors shall be held after the last concert of the season and before the annual membership meeting. At this annual meeting, the board shall elect the Officers of the Corporation from among the Board of Directors for the ensuing term by simple majority, by secret ballot, tabulated by a disinterested person selected for that purpose.

Section 4.8. Regular meetings. Regular meetings of the Board of Directors shall be held during the week following each concert. At the meeting, the Board of Directors will address any business as may properly come before it.

Section 4.9. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President, or upon request of three or more of the Directors in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without Gillespie County, Texas as the place for holding any special meeting of the Board of Directors called by them.

Section 4.10. Notice. Notice of any special meeting shall be given at least five (5) days prior thereto by notice delivered personally, by telephone, mail or e-mail to each Director at his/her address of record. The business to be considered at and the purpose of any such special meeting of the Board of Directors should be specified in the notice.

Section 4.11. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 4.12. 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.

Section 4.13. Informal Action. Any action on monetary matters that does not exceed an amount of three thousand dollars (\$3000.) and/or any other non-monetary action which may be taken at a meeting of the Board of Directors, may also be taken without a meeting, in writing, setting forth the action so taken and shall be signed by all the Directors and included in minutes or filed with the Corporate records. Such consents shall have the same effect as a unanimous vote.

Section 4.14. Compensation and Reimbursement. No Director, whether serving as an officer or not, may receive compensation for his/her services as Director; however, any expenses incurred by any Director by reason of his/her responsibilities as such may be reimbursed by the Corporation. Nothing contained herein shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefore.

Section 4.15. Resignations. Any Director may resign from the Board at any time by giving written notice to the President or the Secretary of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.16. Removal. Any Director may be removed as a Director by a vote of a majority of the Directors; however, no Director shall be removed until he/she has first been afforded an opportunity to resign rather than respond to a notice of proposed removal, and has chosen not to resign. In such instance, the Director will be provided written notice of intent to remove him/her. Such notice shall set forth in reasonable detail the reasons for the proposed removal, and the Director will be given a reasonable opportunity to be heard with respect to such reasons at a meeting of the Board convened for that purpose.

Section 4.17. Attendance. In order that each Director may keep himself/herself informed of the corporate affairs in accordance with his/her responsibility, each Director should attend all board meetings. Failure to meet this attendance requirement without acceptable reason(s) may be grounds for removal.

Section 4.18. Advisors. The members of the Board of Directors may from time to time appoint one or more persons as advisors to the Board. All advisors shall be entitled

to all the rights and privileges of Directors, but shall not vote or be counted in determining the existence of a quorum.

Section 4.19. Meeting Procedure. The President, or in his/her absence, the Vice President shall preside at meetings of the Board of Directors. The Board of Directors may adopt its own rules of procedure, which shall not be inconsistent with these bylaws. If no procedures are adopted, parliamentary procedures as stated in Robert's Rules of Order will apply.

A R T I C L E V

Officers

Section 5.1. Officers. The Officers of the Corporation shall be a President, one or more Vice Presidents, a Secretary, a Treasurer, and such other Officers whose duties may be fixed from time to time by the Board of Directors and who are to be elected in accordance with the provisions of this article.

Section 5.2. Election and Term of Office. Each Officer shall hold office for one (1) year or until his/her successor shall have been duly elected and shall have qualified or until his/her death or until he/she shall resign or shall have been removed in the manner hereinafter provided. The Officers of the Corporation shall be elected every year by the Board of Directors from among their number at **a meeting held after the close of the concert series and prior to the annual Member/Supporter meeting. If the election of Officers is not held at such a meeting, the election shall be held as soon thereafter** as is convenient. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors.

Section 5.3. Removal. Any Officer elected by the Board of Directors may be removed by a majority vote of the Board whenever, in the Board's judgment, the best interest of the Corporation would be served thereby, and the procedures described in Article IV, Section 4.16 have been followed.

Section 5.4. Resignations. Any Officer may resign at any time by giving written notice to the President or the Secretary of the Corporation, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 5.6. The President of the Board of Directors. The President of the Board of Directors shall preside at all meetings of the Board of Directors and shall be, ex

officio, a member of all committees with vote. His/her responsibilities shall include, without limitation, the following: (a) acting as the representative of the Corporation to the public as well as the governmental and voluntary organizations; (b) making policy proposals to the Board of Directors; (c) making long range plans and budgets; and (d) reporting to the Board of Directors on the performance of Corporate functions.

Section 5.7. Vice-President. In the absence of the President or in the event of his/her inability or refusal to act, the Vice President shall perform the duties of the President and, when so acting, shall have all of the powers and be subject to all of the restrictions upon the President. Any Vice President shall perform such other duties as from time to time may be assigned by the President or by the Board of Directors.

Section 5.8. Vice-President/Artistic Director-Program Coordinator. This position will be filled by a person qualified by training and/or experience in the musical arts to perform the duties of the position. These duties include, but are not limited to: Choosing and determining the availability of various musical artists for performances; negotiating performance contracts with them or their representatives(s); arranging and coordinating the schedule for a concert series. The Vice-President/Artistic Director-Program Coordinator will chair meetings of the Board of Directors in the absence of the President and Vice-President.

Section 5.9. Secretary. The Secretary shall (1) keep the minutes of the Board of Directors' meetings in one or more books provided for that purpose; (2) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (3) be custodian of the corporate records; and (4) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned by the President or, by the Board of Directors.

Section 5.10. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties, as the Board of Directors shall determine. The cost of any such bond, if required, shall be borne by the Corporation. The Treasurer shall (1) have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever and deposit all such moneys with reasonable promptness in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of these bylaws; and (2) render an accurate accounting periodically as required by the Board; and (3) in general, perform all 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 Board of Directors. The Treasurer may delegate such duties as the Board permits, but retains responsibility for their proper performance.

ARTICLE VI

Committees

Section 6.1 Executive Committee. There is hereby established an Executive Committee, composed of the President, Vice-Presidents, Secretary, and Treasurer. The Executive Committee is empowered to make binding decisions on behalf of the Corporation, and will seek advice and consent from a majority of the Board of Directors before implementing any decisions reached when so doing is feasible, but is authorized to act without such consultation when the Committee deems it necessary.

Section 6.2. Other Committees. The Board of Directors may, by resolution approved by a majority of the whole board, establish one or more Committees. The Executive Committee will appoint chairpersons and members of any such Committee, who will serve at the pleasure of the Executive Committee.

Section 6.3. Ex Officio Members. The president shall be an ex officio voting member of all Committees.

Section 6.4, Responsibility of Committee. Committee chairpersons will report to the Board as required regarding the status of project(s) assigned.

Section 6.5. Committee Vacancies. Vacancies in any Committee may be filled by appointments made in the same manner as provided in the case of original appointments.

Section 6.6. Expenditures. Any expenditure of corporate funds by a Committee other than the Executive Committee shall require prior approval of the Board of Directors.

ARTICLE VII

Contracts, Loans, Checks, and Deposits

Section 7.1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instruments in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 7.2. Loans. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 7.3. Checks, Drafts, Orders, etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the board of directors.

Section 7.4. Deposits. All funds of the Corporation not otherwise employed shall be deposited promptly to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 7.5. Gifts. Any Director or Officer may request specific authorization to accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes of or for any special purpose of the Corporation.

Section 7.6. Charitable Contributions. No Officer shall make charitable contributions in the name of, from the funds of, or on behalf of the Corporation without prior authorization by the Board of Directors.

ARTICLE VIII

Books and Records

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and shall keep at the principal office a record giving the names and addresses of the Directors entitled to vote. Any Director, or his agent or attorney may inspect all books and records of the Corporation for any proper purpose at any reasonable time.

ARTICLE IX

Fiscal Year

The fiscal year of the Corporation shall end on June 30 of each year.

ARTICLE X

Conflicts of Interest

Section 10.1. Validation of Contracts. No contract or transaction between the Corporation and one or more of its Directors or Officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its Directors or Officers are directors or officers or have a direct or indirect interest as provided for under the laws of the State of Texas shall be void or voidable

solely for this reason or solely because the Director or Officer is present at or participates in the meeting of the Board which authorizes, approves, or ratifies the contract or transaction or solely because his/her or their votes are counted for such purpose if:

- (a) The material facts as to his/her interest and as to the contract or transaction are disclosed or are known to the Board of Directors and the Board in good faith authorizes, approves, or ratifies the contract or transaction by a vote sufficient for such purpose without counting the vote of the interested Director or Directors; or
- (b) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved, or ratified, by the Board of Directors.

Section 10.2. Quorum. The interested Director may be counted in determining the presence of a quorum at a meeting of the Board of Directors, which authorized, approved, or ratified the contract or transaction.

Section 10.3. Code of Ethics. The Board of Directors may from time to time adopt guidelines, rules, or policies concerning ethical standards and standards governing conflicts of interest, or the appearance of such, for Directors, Officers, and Employees of the Corporation.

Section 10.4. No Private Inurement. No Director, Officer or Member of the Corporation or any private individual shall be entitled to share in the net earnings of the Corporation or in the distribution of any of the Corporate assets on dissolution. See Section 11(3)(4).

ARTICLE XI

Miscellaneous

Section 11.1. Standard Operation Procedures. This Corporation will not have or issue shares of stock. No dividend will be paid, and no part of the income of this Corporation will be distributed to its Directors, Officers or Members. However, the Corporation may pay compensation in a reasonable amount to Officers or Directors for services rendered.

Section 11.2. Loans to Management. This Corporation will make no loans to any of its Directors, Officers or Members.

Section 11.3. Restrictions on Operation.

- (1) No Director or incorporator of this Corporation may have any vested right, interest, or privilege of, in, or to the assets, functions, affairs, or franchises of the Corporation, or any right, interest, or privilege which may be transferable or

inheritable, or which will continue if it ceases operation, or while it is not in good standing.

- (2) Expelled Directors shall have no property rights in the Corporation.
- (3) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its Directors, Officers, Members or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene **in** (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the Corporation shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code.
- (4) On dissolution after either (a) the payment or discharge of all liabilities of the Corporation and expense related thereto; (b) the return, transfer, or conveyances of assets held on conditions requiring the same in the event of dissolution or liquidation; and/or (c) the transfer or conveyance of assets received and held subject to limitations permitting their use only for charitable, educational, or similar purposes, provided such entity qualifies as exempt charitable organization for Federal Income Tax purposes under Section 501(c)(3) of Internal Revenue Code of 1986, assets remaining shall be distributed 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 be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the District Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.
- (4) To the extent permitted by law, the Directors of this Corporation may authorize secured transactions or other dispositions of Corporate assets.

ARTICLE XII

Amendments

Section 12.1 Amendment of Articles of Incorporation. The power to alter, amend, or repeal the Articles of Incorporation of this Corporation is vested in the Board of Directors. Such action may be taken pursuant to a resolution approved by a majority of the Directors.

Section 12.2 Modification of Bylaws. The power to alter, amend, or repeal these Bylaws, or to adopt new Bylaws, insofar as is allowed by law, is vested in the Board of Directors. These Bylaws may be amended at any regular meeting by a two-thirds (2/3) vote, provided the amendment has been submitted in writing and read at the previous meeting. An Amendment shall become effective upon adjournment of the meeting at which it is adopted, unless otherwise stated.

These bylaws become effective on July 6, 2001 as ratified by the authentic signatures of a majority of the Board of Directors whose signatures appear below:

For security reasons signatures are on file and not posted here.