

**BYLAWS  
OF  
ARIZONA MARCHING BAND ASSOCIATION**  
An Arizona Nonprofit Public Benefit Corporation

**1. NAME:** The name of this corporation is ARIZONA MARCHING BAND ASSOCIATION.

**2. Offices of the Corporation**

**1.1. Principal Office:** The principal office for the transaction of the activities and affairs of the corporation (principal office) is located at 3870 S Quartz St, Gilbert, AZ 85297. The board of directors (board) may change the principal office from one location to another. Any change of location of the principal office shall be noted by the secretary on these bylaws opposite this paragraph or this paragraph may be amended to state the new location.

**1.2. Other Offices:** The board may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

**3. Purposes**

**1.1. General Purposes:** This corporation is organized exclusively for charitable and/or educational purposes within the meaning of section 501©(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal revenue law. Notwithstanding any other provision of these articles, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purpose of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 19086 or the corresponding provisions of any future United States internal revenue law, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States Internal revenue law.

**1.2. Specific Purposes:** Within the context of the general purposes stated above, this corporation shall:

- A.** Promote a circuit of standardized shows for scholastic marching bands that will provide educational input through quality adjudication.
- B.** Promote an annual series of competitions that offer standardized rules and regulations
- C.** Encourage the participation of all high schools in the scholastic marching band competitions, and
- D.** Build and maintain an organization that believes that it is the first and foremost duty of the band director to encourage young people to strive for excellence

## 4. Members

### 1.1. Qualifications and Rights of Membership

- A. Classes and Qualifications:** This Corporation shall have one class of members. Any person dedicated to the purposes of this corporation shall be eligible for membership on timely payment of such dues and fees as the board may fix from time to time.
- B. Voting members:** Each member shall have the right to vote, as set forth in these bylaws, on the election of directors, on the disposition of all or substantially all of the corporation's assets, on any merger and its principal terms and any amendment of those terms and on any election to dissolve the corporation. In addition, those members shall have all rights afforded members under the Arizona Nonprofit Public Benefit Corporation Law.

**1.2. Dues, Fees and Assessments:** Each member must pay, within the time and on the conditions set by the board, the dues, fees and assessments in amounts to be fixed from time to time by the board. The dues, fees and assessments shall be the same for all members.

**1.3. Good Standing** Those members who have paid the required dues, fees and assessments in accordance with these bylaws and who are not suspended shall be members in good standing.

### 1.4. Termination and suspension of Membership

#### A. Causes of Termination

- (1) Resignation of the member, on reasonable notice to the corporation
- (2) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the board;
- (3) Failure of the member to pay dues, fees, or assessments as set by the board within 60 days after they become due and payable.
- (4) Occurrence of any event that renders the member ineligible for membership or failure to satisfy membership qualifications; or
- (5) Expulsion of the member under paragraph 4.4© of these bylaws based on the good faith determination by the board, or a committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the corporation or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the corporation.

**B. Suspension of membership** A member may be suspended, under paragraph 4.4© of these bylaws based on the good faith determination by the board, or a committee or person authorized by the board to make such a determination, that the member has failed in a material and serious degree to observe the corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the corporation. A person whose membership is suspended shall not be a member during the period of suspension.

**C. Procedure for Expulsion or Suspension** If grounds appear to exist for expulsion or suspension of a member under paragraphs 4.4(a) and 4.4(b) of these bylaws, the procedure set forth shall be as follows:

- (1) The member shall be given 15 days' prior notice of the proposed expulsion or suspension and the reasons for the proposed expulsion or suspension. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given

by mail shall be sent by first class or registered mail to the member's last address as shown on the corporation's records.

- (2) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed expulsion or suspension. The hearing shall be held, or the written statement considered, by the board or by a committee or person authorized by the board to determine whether the expulsion or suspension should take place.
- (3) The board, committee, or person shall decide whether or not the member should be suspended, expelled, or sanctioned in some other way. The decision of the board, committee, or person shall be final.
- (4) Any action challenging an expulsion, suspension or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of expulsion, suspension or termination.

**1.5. Transfer of Memberships** No membership or right arising from membership shall be transferred. Subject to paragraph 4.9(d) of these bylaws, all membership rights cease on the member's death or dissolution.

#### **1.6. Meetings of Members**

**A. Place of Meeting** Meetings of the members shall be held at any place within or outside Arizona designated by the board or by the written consent of all members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, members' meetings shall be held at the corporation's principal office.

**B. Annual Meeting** An annual meeting of members shall be held on the Second Sunday of August of each year at 11:00 a.m. unless the board fixes another date or time and so notifies the members as provided in paragraph 4.6(d) of these bylaws. If the scheduled date falls on a legal holiday, the meeting shall be held the next full business day. At this meeting, directors shall be elected and any other proper business may be transacted, subject to paragraphs 4.6(d)(2) and 4.6(e)(1) of these bylaws.

#### **C. Special Meetings**

- (1) **Persons authorized to Call** A special meeting of the members for any lawful purpose may be called at any time by the board or the chairperson of the board, if any, or by the president, or by 5 percent or more of the members.
- (2) **Calling Meetings** A special meeting called by any person (other than the board) entitled to call a meeting shall be called by written request, specifying the general nature of the business proposed to be transacted, and submitted to the chairperson of the board, if any, or the president or any vice president or the secretary of the corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with paragraph 4.6(d) of these bylaws, stating that a meeting will be held at a specified time and date fixed by the board, provided, however, the meeting date shall be at least 35 but no more than 90 days after receipt of the request. If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this paragraph shall be construed as limiting, fixing, or affecting the time at which a meeting of members may be held when the meeting is called by the board.

**(3) Proper Business of Special Meeting** No business, other than the business the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

**D. Notice Requirements for Members' Meetings**

**(1) General Notice Requirements.** Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given, in accordance with paragraphs 4.6(d)(2)-(4) of these bylaws, to each member entitled to vote at that meeting. The notice shall specify the place, date, and hour of the meeting and, (A) for a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (B) for the annual meeting, those matters that the board, at the time notice is given, intends to present for action by the members, but any proper matter may be presented at the meeting. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.

**(2) Notice of Certain Agenda Items.** Approval by the members of any of the following proposals, other than by unanimous approval by those entitled to vote, is valid only if the notice or written waiver of notice states the general nature of the proposal or proposals:

- (A) Removing a director without cause;
- (B) Filling vacancies on the board;
- (C) Amending the articles of incorporation; or
- (D) Electing to wind up and dissolve the corporation.

**(3) Manner of Giving Notice.** Notice of any meeting of members shall be in writing and shall be given at least 10 but no more than 90 days before the meeting date. The notice shall be given either personally or by first-class, registered, or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each member entitled to vote, at the address of that member appearing on the books or the corporation or at the address given by the member to the corporation for purposes of notice. If no address appears on the corporation's books and no address has been so given, notice shall be deemed to have been given if either (A) notice is sent to that member by first-class mail or telegraphic or other written communication to the corporation's principal office or (B) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

**(4) Affidavit of Mailing Notice.** An affidavit of the mailing of any notice of any members' meeting, or of the giving of such notice by other means, may be executed by the secretary or assistant secretary and if so executed shall be filed and maintained in the corporation's minute book.

**(E) Quorum.**

**(1) Percentage Required.** Ten percent (10%) of the voting power shall constitute a quorum for the transaction of business at any meeting of members provided, however, that if any regular or annual meeting is actually attended in person or by proxy by less than one

third of the voting power, the only matters that may be voted on are those of which notice of their general nature was given under the first and second sentences of paragraph 4.6(d)(1) of these bylaws.

**(2) Loss of Quorum.** Subject to paragraph 4.6(e)(1) of these bylaws, the members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum.

**(F) Adjournment and Notice of Adjourned Meetings.** Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting, either in person or by proxy. No meeting may be adjourned for more than 45 days. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting.

#### **G) Voting.**

**(1) Eligibility to Vote.** Subject to the provisions of the Arizona Nonprofit Public Benefit Corporation Law, members entitled to vote at any meeting of members shall be members in good standing as of the record date determined under paragraph 4.8 of these bylaws.

**(2) Manner of Casting Votes.** Voting may be by voice or ballot, except that any election of directors must be by ballot if demanded by any member at the meeting before the voting begins.

**(3) Voting.** Each member entitled to vote shall be entitled to cast one vote on each matter submitted to a vote of the members.

**(4) Approval by Majority vote.** If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number is required by the Arizona Nonprofit Public Benefit Corporation Law or by the articles of incorporation.

#### **(H) Waiver of Notice or Consent by Absent Members.**

**(1) Written Waiver or Consent.** The transactions of any meeting of members, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (A) a quorum is present either in person or by proxy, and (B) either before or after the meeting, each member entitled to vote, not present in person or by proxy, signs a written waiver of notice, a consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice, consent, or

approval need not specify either the business to be transacted or the purpose of any meeting of members, except that if action is taken or proposed to be taken for approval of any of those matters specified in paragraph 4.6(d)(2) of these bylaws, the waiver of notice, consent, or approval shall state the general nature of the proposal. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

**(2) Waiver of Attendance.** A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting, unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting but not so included, if that objection is expressly made at the meeting.

#### **4.7 Action Without a Meeting.**

**(A) Action by Unanimous Written Consent.** Any action required or permitted to be taken by the members may be taken without a meeting, if all members consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the members. The action by written consent shall have the same force and effect as the unanimous vote of the members.

**(B) Action by Written Ballot Without a Meeting.** Any action except election of directors that may be taken at any meeting of members may be taken without a meeting by complying with this paragraph 4.7(b).

**(1) Solicitation of Written Ballots.** The corporation shall distribute one written ballot to each member entitled to vote on the matter. Such ballots shall be mailed or delivered in the manner required by paragraph 4.6(d)(3) of these bylaws. All solicitations of votes by written ballot shall (A) indicate the number of responses needed to meet the quorum requirement; (B) with respect to ballots other than for election of directors, state the percentage of approvals necessary to pass the measure or measures; and (C) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (A) set forth the proposed action; (B) provide the members an opportunity to specify approval or disapproval of each proposal; and (C) provide a reasonable time within which to return the ballot to the corporation. If the corporation has 100 or more members, any written ballot distributed to ten or more members shall provide, subject to reasonable specified conditions, that if the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification.

**(2) Number of Votes and Approvals Required.** Approval by written ballot shall be valid only when (A) the number of votes cast by ballot (including those ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (B) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.

**(3) Revocation. A written ballot may not be revoked.**

**(4) Filing.** All written ballots shall be filed with the secretary of the corporation and maintained in the corporate records for at least three (3) years.

#### **4.8. Record Date for Notice, Voting, Written Ballots, and Other Actions.**

**(A) Record Date Determined by Board.** For purposes of determining the members entitled to notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights with respect to any lawful action, the board may, in advance, fix a record date. The record date so fixed

**(1) for notice of a meeting** shall not be more than 90 nor less than 10 days before the date of the meeting;

**(2) for voting at a meeting** shall not be more than 60 days before-the date of the meeting;

**(3) for voting by written ballot** shall not be more than 60 days before the day on which the first written ballot is mailed or solicited; and

**(4) for any other action** shall not be more than 60 days before that action.

#### **(B) Record Date Not Determined by Board.**

**(1) Record Date for Notice or Voting.** If not otherwise fixed by the board, the record date for determining members entitled (A) to receive notice of a meeting of members shall be the next business day preceding the day on which notice is given or, if notice waived, the next business day preceding the day on which the meeting is held, and (B) to vote at the meeting shall be the day on which the meeting is held

**(2) Record Date for Action by Written Ballot.** If not otherwise fixed by the board, the record date for determining those members entitled to vote by written ballot shall be the day on which the first written ballot is mailed or solicited.

**(3) Record Date for Other Actions.** If not otherwise fixed by the board, the record date for determining members entitled to exercise any rights with respect to any other lawful action shall be the date on which the board adopts the resolution relating to that action, or the 60<sup>th</sup> day before the date of that action whichever is later.

**(C) Members of Record.** For purposes of paragraphs 4.8(a) and 4.8(b) of these bylaws, a person holding a membership at the close of business on the record date shall be a member of record.

#### **4.9. Proxies.**

**(A) Right of Members.** Each member entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the person and filed with the secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy (whether by manual signature, typewriting, telegraphic transmission, or otherwise) by the member or the member's attorney-in-fact.

**(B) Form of Solicited Proxies.** If the corporation has 100 or more members, any form of proxy distributed to 10 or more members shall afford an opportunity on the proxy to specify a choice between approval and disapproval of each matter or group of related matters and shall provide, subject to reasonable specified conditions, that when the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance with that specification. In any election of directors, any form of proxy that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote for the election of directors is withheld, shall not be voted either for or against the election of a director.

**(C) Requirements That General Nature of Subject of Proxy Be Stated.** Any proxy covering matters the usual and regular course of the corporation's activities; the principal terms of a merger or the amendment of a merger agreement; or the election to dissolve the corporation, shall not be valid unless the proxy sets forth the general nature of the matter to be voted on or, with respect to an election of directors, the proxy lists those who have been nominated at the time the notice of the vote is given to the members.

**(D) Revocability.** A validly executed proxy shall continue in full force and effect until (1) revoked by the member executing it, before the vote is cast under that proxy, (A) by a writing delivered to the corporation stating that the proxy is revoked, or (B) by a subsequent proxy executed by that member and represented to the meeting, or (C) as to any meeting; by that member's personal attendance and voting at the meeting; or (2) written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote under that proxy is counted, provided, however, that no proxy shall be valid after the expiration of 11 months from the date of the proxy, unless otherwise provided in the proxy, except that the maximum term of a proxy shall be three years from the date of execution. A proxy may not be irrevocable.

#### **4.10. Election of Directors.**

**(A) Nominations by Committee.** The chairperson of the board, or the president if there is no chairperson, shall appoint a committee to select qualified candidates for election to the board at least 60 days before the date of any election of directors. This nominating committee shall make its report at least 30 days before the date of the election, or at such other time as the board of directors may set and the secretary shall forward to each member, with the notice of meeting required by these bylaws, a list of all candidates nominated by committee under this section.

**(B) Nominations From the Floor.** If there is a meeting of members to elect directors, any member present at the meeting in person or by proxy may place names in nomination.

**(C) Solicitation of Votes.** The board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications and the reasons for the nominee's candidacy, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for all members to choose among the nominees.

**(D) Use of Corporate Funds to Support Nominee.** Without board authorization, no corporate funds may be expended to support a nominee for director after more people have been nominated for director than can be elected.

## 5. Directors.

**5.1. General Corporate Powers.** Subject to the provisions and limitations of the Arizona Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws regarding actions that require approval of the members the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the board.

**5.2. Specific Powers.** Without prejudice to the general powers set forth in paragraph 5.1 of these bylaws, but subject to the same limitations, the directors shall have the power to:

**(A) Appoint and remove,** at the pleasure of the board, all the corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with law, with the articles of incorporation, and with these bylaws; and fix their compensation and require from them security for faithful performance of their duties.

**(B) Change the principal office** or the principal business office in Arizona from one location to another; cause the corporation to be qualified to conduct its activities in any other state, territory, dependency, or country and conduct its activities within or outside Arizona; and designate any place within or outside Arizona for holding any meeting of members. .

**(C) Adopt and use a corporate seal;** prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

**(D) Borrow money and incur indebtedness** on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

### 5.3. Number and Qualification of Directors.

**(A) Authorized Number and Qualifications.** The authorized number of directors shall be five (5) and shall consist of the corporation's president, vice president, secretary, chief financial officer, and immediate past president. In the case that there is no immediate past president, a member at large will fill that position.

violation of **(B) Restriction on Interested Persons as Directors.** No more than 49 percent of the persons serving on the board may be interested persons. An interested person is (1) any person compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

**5.4. Election, Designation, and Term of Office.** The board shall be divided into two (2) groups. The members of the board serving as president, secretary and immediate past president of the corporation shall be elected at the annual meeting of members in odd-numbered years to hold office until the specified annual meeting and until their respective successors are elected and qualified. The members of the board serving as vice president and chief financial officer of the corporation shall be elected at the annual meeting of members in even-numbered years to hold office until the specified annual meeting and their respective successors are elected and qualified. If any such directors are not elected at the specified annual meeting, they may be elected at any special members' meeting held for that purpose or by written ballot. Each such director, including a director elected to fill a vacancy or elected at a special members meeting or by written ballot, shall hold office until expiration of the term for which elected and until a successor has been elected and qualified.

**5.5. Vacancies on Board.**

**(A) Events Causing Vacancy.** A vacancy or vacancies on the board shall exist on the occurrence of the following: (1) the death or resignation of any director; (2) the declaration by resolution of the board of a vacancy in the office of a director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the Arizona Nonprofit Public Benefit Corporation Law; (3) the vote of the members or, if the corporation has fewer than 50 members, the vote of a majority of-all members, to remove any director(s); (4) the increase of the authorized number of directors; or (5) the failure of the members, at any meeting of members at which any director or directors are to be elected, to elect the number of directors required to be elected at such, meeting.

**(B) Resignations.** Except as provided below, any director may resign by giving written notice to the chairperson of the board, if any, or to the president or the secretary of the board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the board may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the Attorney General of Arizona, no director may resign if the corporation would be left without a duly elected director or directors.

**(C) Filling Vacancies.** Except for a vacancy created by the removal of a director by the members, vacancies on the board may be filled by a majority of the directors then in office,

whether or not less than a quorum, or by a sole remaining director. The members may fill any vacancy or vacancies not filled by the directors.

**(D) No Vacancy on Reduction of Number of Directors.** No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

## **5.6. Directors' Meetings.**

**(A) Place of Meetings.** Meetings of the board shall be held at any place within or outside Arizona that has been designated by resolution of the board or in the notice of the meeting or, if not so designated, at the principal office of the corporation.

**(B) Meetings by Telephone.** Any meeting may be held by conference telephone or similar communication equipment, as long as all directors participating in the meeting can hear one another. All such directors shall be deemed to be present in person at such a meeting.

**(C) Annual Meeting.** Immediately after each annual meeting of members, the board shall hold a regular meeting for purposes of organization, election of officers, and transaction of other business. Notice of this meeting is not required.

**(D) Other Regular Meetings.** Other regular meetings of the board may be held without notice at such time and place as the board may fix from time to time.

### **E) Special Meetings.**

**(1) Authority to Call.** Special meetings of the board for any purpose may be called at any time by the chairperson of the board, if any, the president or any vice president, or the secretary or any two directors.

#### **(2) Notice.**

**(A) Manner of Giving Notice.** Notice of the time and place of special meetings shall be given to each director by one of the following methods:

- (i) by personal delivery of written notice;
- (ii) by first-class mail, postage prepaid;
- (iii) by telephone, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the directors; or
- (iv) by telegram, charges prepaid.

All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.

**(B) Time Requirements.** Notices sent by first-class mail shall be deposited in the United States mails at least four days before the time set for the meeting. Notices given by personal delivery, telephone or telegraph shall be

delivered, telephoned or given to the telegraph company at least 48 hours before the time set for the meeting.

**(C) Notice Contents.** The notice shall state the time of the meeting, and the place if the place is other than the principal office of the corporation. It need not specify the purpose of the meeting.

**(F) Quorum.** A majority' of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the board, subject to the more stringent provisions of the Arizona Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (1) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (2) approval of certain transactions between corporations having common directorships, (3) creation of and appointments to committees of the board, and (4) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

**(G) Waiver of Notice.** Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

**(H) Adjournment.** A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

**(I) Notice of Adjourned Meeting.** Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

**5.7. Action Without a Meeting.** Any action that the board is required or permitted to take may be taken without a meeting if all members of the board consent in writing to the action; provided, however, that the consent of any director who has a material financial interest in a transaction to which the corporation is a party and who is an "interested director" as defined in section 5233 of the Arizona Corporations Code shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the board. All such consents shall be filed with the minutes of the proceedings of the board.

**5.8. Compensation and Reimbursement.** Directors may receive such compensation, if any, for their services as directors or officers, and such reimbursement of expenses, as the board may

determine by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted.

## **5.9. Committees.**

**(A) Committees of the Board.** The board, by resolution adopted by a majority of the directors then in office, provided a quorum is present, may create one or more committees, each consisting of two or more directors and no persons who are not directors, to serve at the pleasure of the board. Appointments to committees of the board shall be by majority vote of the directors then in office.- The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the board resolution, shall have all the authority of the board, except that no committee, regardless of board resolution, may:

- (1) Take any final action on any matter that, under the Arizona Nonprofit Public Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;
- (2) Fill vacancies on the board or on any committee that has the authority of the board;
- (3) Fix compensation of the directors for serving on the board or on any committee;
- (4) Amend or repeal bylaws or adopt new bylaws;
- (5) Amend or repeal any resolution of the board that by its express terms is not amendable or repeal able;
- (6) Create any other committees of the board or appoint the members of committees of the board;
- (7) Expend corporate funds to support a nominee for director after more people have been nominated for director than can be elected; or
- (8) Approve any contract or transaction to which the corporation is a party and in which one or more of its directors has a material financial interest, except as special approval is provided for in section 5233(d)(3) of the Arizona Corporation Code.

**(B) Meetings and Action of Committees.** Meetings and actions of committees of the board shall be governed by, held, and taken in accordance with the provisions of these bylaws concerning meetings and other board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees maybe determined either by board resolution or, if there is none, by resolution of the committee of the board. Minutes of each meeting of any committee of the board shall be kept and shall be filed with the corporate records. The board may adopt rules for the government of any committee, provided they are consistent with these bylaws or, in the absence of rules adopted by the board, the committee may adopt such rules.

## 6. Officers.

**6.1. Officers of the Corporation.** The officers of the corporation shall be a president, a vice president, a secretary, a chief financial officer, and an immediate past president. Only one (1) office may be held by the same person, and no officer may serve concurrently as any other officer of the corporation.

**6.2. Election of Officers.** The officers of the corporation, except those appointed under paragraph 6.3 of these bylaws, shall be chosen annually by the board and shall serve at the pleasure of the board, subject to the rights, if any, of any officer under any contract of employment.

**6.3. Other Officers.** The board may appoint and may authorize the chairperson of the board, the president, or other officer, to appoint any other officers that the corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the bylaws or determined by the board.

**6.4. Removal of Officers.** Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the board and also, if the officer was not chosen by the board, by any officer on whom the board may confer that power of removal.

**6.5. Resignation of Officers.** Any officer may resign at any time by giving written notice to the corporation. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

**6.6. Vacancies in Office.** A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

### 6.7. Responsibilities of Officers.

**(A) President.** Subject to such supervisory powers as the board may give to the chairperson of the board, if any, and subject to the control of the board, the president shall be the general manager of the corporation and shall supervise, direct, and control the corporation's activities, affairs, and officers. The president shall preside at all members' meetings and, in the absence of the chairperson of the board, or if there is none, at all board meetings. The president shall have such other powers and duties as the board or these bylaws may prescribe.

**(B) Vice President.** If the president is absent or disabled, the vice president shall perform all duties of the president. When so acting, a vice president shall have all powers of and be subject to all restrictions on the president. The vice president shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

**(C) Secretary.**

**(1) Book of Minutes.** The secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings, and actions of the board, of committees of the board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized, the notice given, the names of those present at board and committee meetings, and the number of members present or represented at members' meetings. The secretary shall keep or cause to be kept, at the principal office in Arizona, a copy of the articles of incorporation and bylaws, as amended to date.

**(2) Membership Records.** The secretary shall kept or cause to be kept, at the corporation's principal office or at a place determined by resolution of the board, a record of the corporation's members, showing each member's name, address, and telephone number(s).

**(3) Notices, Seal, and Other Duties.** The secretary shall give, or cause to be given, notice of all meetings of members, of the board and of committees of the board required by these bylaws to be given. The secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

**(D) Chief Financial Officer.**

**(1) Books of Account.** The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The chief financial officer shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board. The books of account shall be open to inspection by any director at all reasonable times.

**(2) Deposit and Disbursement of Money and Valuables.** The chief financial officer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the board may designate, shall disburse the corporation's funds as the board may order, shall render to the president, chairperson of the board, if any, and the board, when requested, an account of all transactions as chief financial officer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the board or the bylaws may prescribe.

**(3) Bond.** If required by the board, the chief financial officer shall give the corporation a bond in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the office and for restoration to the corporation of all of its books, papers, vouchers, money, and other property of

every kind in the possession or under the control of the chief financial officer on his or her death, resignation, retirement, or removal from office.

**(E) Immediate Past President.** Serves in an advisory role to the board of directors and guides and assists the current president on policy, procedure and overall maintenance of the organization. The officer will assume any special projects or assignments given by the board of directors.

## **7. Indemnification.**

**7.1. Right of Indemnity.** To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in section 5238(a) of the Arizona Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in section 5238(a) of the Arizona Corporations Code.

**7.2. Approval of Indemnity.** On written request to the board by any person seeking indemnification under section 5238(b) or section 5238(c) of the Arizona Corporations Code, the board shall promptly determine under section 5238(e) of the Arizona Corporations Code whether the applicable standard of conduct set forth in section 5238(b) or section 5238(c) has been met and, if so, the board shall authorize indemnification. If the board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the board shall promptly call a meeting of members. At that meeting, the members shall determine under section 5238(e) of the Arizona Corporations Code whether the applicable standard of conduct set forth in section 5238(b) or section 5238(c) has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

**7.3. Advancement of Expenses.** To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under paragraphs 7.1 and 7.2 of these bylaws in defending any proceeding covered by those paragraphs shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

**8. Insurance.** The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees, and other agents, against any liability asserted against or incurred by any officer, director, employee, or agent in such capacity or arising out of the officer's, director's, employee's, or agent's status as such.

## **9. Records and Reports.**

**9.1 Maintenance of Corporate Records:** The corporation shall keep:

- (A) Adequate and correct books of the account.
- (B) Written minutes of the proceedings of its members, board, and committees of the board; and
- (C) A record of each member's name, address, and class of membership.

**9.2. Members' Inspection Rights.**

(A) Membership Records. Subject to Division 2, Part 2, Chapter 13, Article 3 (commencing at Section 6330) of the Arizona Corporations Code and unless the corporation provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

(1) **Inspect and copy** the records of members' names, addresses, and telephone number(s) during usual business hours on five days' prior written demand on the corporation, which demand must state the purpose for which the inspection rights are requested; or

(2) **Obtain from the secretary** of the corporation, on written demand and tender of a reasonable charge, a list of names, addresses, and telephone number(s) of members who are entitled to vote for the election of directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the member. The demand shall state the purpose for which the list is requested. The secretary shall make this list available to the member on or before the later of ten days after (A) the demand is received or (B) the date specified in the demand as the date as of which the list is to be compiled. The corporation may, within ten business days after receiving a demand under this paragraph, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the membership list. Any rejection of this offer must be in writing and must state the reasons that the proposed alternative does not meet the proper purpose of the demand. If the corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this paragraph, it may deny the member access to the membership list. Any inspection and copying under this paragraph may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts.

(B) **Accounting Records and Minutes.** On written demand on the corporation, any member may inspect, copy, and make extracts of the accounting books and records and the minutes of the proceedings of the members, the board, and committees of the board at any reasonable time for a purpose reasonably related to the member's interest as a member. Any such inspection and copying may be made in person or by the member's agent or attorney. Any right of inspection extends to the records of any subsidiary of the corporation.

**9.3. Maintenance and Inspection of Articles and Bylaws.** The corporation shall keep at its principle office the original or a copy of the articles of incorporation and bylaws, as amended to date, which shall be open to inspection by the members at all reasonable times during office hours.

**9.4. Inspection by Directors.** Every director shall have the absolute right at any reasonable time to inspect the corporation's books, records, documents of every kind, and physical properties. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

**9.5. Annual Report.** The board shall cause an annual report to be sent to the members and directors within 120 days after the end of the corporation's fiscal year. That report shall contain the following information, in appropriate detail, for the fiscal year: That report shall contain the following information, in appropriate detail for the fiscal year.

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds.
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes.
- (d) The expenses or disbursements of the corporation for both general and restricted purposes.
- (e) Any information required by paragraph 9.6 of these bylaws.

The annual report shall be accompanied by any report on it of independent accountants or, if there is no such report, by the certificate of an authorized officer of the corporation that such statements were prepared without audit from the corporation's books and records.

This requirement of an annual report shall not apply if the corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors and to any member who requests it in writing.

**9.6. Annual Statement of Certain Transactions and Indemnifications.** As part of the annual report to all members, or as a separate document if no annual report is issued, the corporation shall annually prepare and mail or deliver to each member and furnish to each director a statement of any transaction or indemnification of the following kind within 120 days after the end of the corporation's fiscal year:

**(a) Any transaction** (1) in which the corporation, its parent, or its subsidiary was a party, (2) in which an "interested person" had a direct or indirect material financial interest, and (3) which involved more than \$50,000, or was one of a number of transactions with the same interested person involving, in the aggregate, more than \$50,000. For this purpose, an "interested person" is any director or officer of the corporation. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

**(b) Any indemnifications** or advances aggregating more than \$10,000 paid during the fiscal year to any officer or director of the corporation under paragraph 7 of these bylaws,

unless that indemnification has already been approved by the members under section 5238(e)(2) of the Arizona Corporations Code.

**10. Construction and Definitions.** Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Arizona Nonprofit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

## **11. Amendments.**

### **11.1. Amendment by Board.**

**(A) Membership Rights Limitation.** Subject to the rights of members under paragraph of these bylaws and the limitations set forth below, the board may adopt, amend, or repeal by-laws unless the action would materially and adversely affect the members' rights as to voting or . The board may not extend the term of a director beyond that for which the director was elected.

**(B) Changes to Number of Directors.** Once members have been admitted to the corporation, the board may not, without the approval of the members, specify or change any bylaw provision that would:

- (1) Fix or change the authorized number of directors,
- (2) Fix or change the minimum or maximum number of directors, or
- (3) Change from a fixed number of directors to a variable number of directors or Vice versa.

**(C) High Vote Requirement.** If any provision of these bylaws requires the vote of a larger proportion of the board than is otherwise required by law, that provision may not be altered, amended, or repealed except by that greater vote.

**(D) Members' Approval Required.** Without the approval of the members, the board may not adopt, amend, or repeal any bylaws that would:

- (1) Increase or extend the terms of directors;
- (2) Allow any director to hold office by designation or selection rather than by election by the members;
- (3) Increase the quorum for members' meetings;
- (4) Repeal, restrict, create, expand, or otherwise change proxy rights; or
- (5) Authorize cumulative voting.

**11.2. Amendment by Members.** New bylaws may be adopted, or these bylaws may be amended or repealed, by approval of the members. Any provision of these bylaws that requires the vote of a larger proportion of the members than otherwise is required by law may not be altered, amended, or repealed except by the vote of that greater number. No amendment may extend the term of a director beyond that for which the director was elected.