

BYLAWS OF
THE ARTS AND CULTURAL COUNCIL OF THE RAPPAHANNOCK

ARTICLE I. Name

The name of this corporation is: The Arts and Cultural Council of the Rappahannock (hereinafter referred to as the Council). The corporation is located at William Street Executive Center, Atrium Suite, 607 William Street, Fredericksburg, VA 22401-5773.

ARTICLE II. Purposes

- A. The mission of the Council is to advance the arts and cultural life of the central Rappahannock region by supporting and strengthening the region's arts and cultural organizations, and its arts and cultural offerings, for the benefit of all its citizens.
- B. The "central Rappahannock region" includes the following counties: Stafford Spotsylvania, Caroline, King George, Westmoreland; the town of Colonial Beach and the city of Fredericksburg.
- C. The goals of the Council, in fulfilling its mission, are
 - 1. To establish and sustain communication and cooperation among arts and cultural organizations in the region;
 - 2. To strengthen member organizations in delivering services and programs to their membership and to the region at large;
 - 3. To promote quality arts and cultural activities by building public awareness and a positive image for arts and culture;
 - 4. To support outreach efforts and activities that make quality arts and cultural experiences accessible region-wide;
 - 5. To contribute to regional economic development and long-range planning as a regional unified voice for the arts and culture.

ARTICLE III. Membership

- A. Membership. General membership is open to any individual or organization that subscribes to the purposes of the organization and pays dues annually.
- B. Rights of Members. Each individual member or organization shall have the right to vote on election of directors and other matters presented to membership by the Board.
- C. Other membership categories shall be: honorary, ex-officio, and advisory.

D. Dues.

1. The Board of Directors shall establish annual dues.

E. General Meetings.

1. The Council shall call general membership meetings annually, and additional meetings at its discretion.
2. Notice of regular meetings will be given to members at least 30 days in advance.
3. Special meetings may be called on 10 days' notice.
4. The annual meeting shall be held in the month of June.
5. A quorum for the transaction of business at the annual meeting shall be 51% of the membership.

ARTICLE IV. Board of Directors

A. Organization.

1. The Board of Directors shall consist of a maximum of seventeen members, of which no more than one quarter (1/4) shall represent member organizations.
2. Quorum. A quorum of the Board shall consist of 51% of its members.

B. Powers and Duties.

1. The Board shall manage the business of the Council.
2. The Board shall prepare a report for the annual meeting of the membership. Such report shall include a summary of activities and financial report of the Council.
3. The Board shall approve the employment of Executive Director and any other staff as recommended by the Executive Committee.
5. Directors shall not receive any compensation from the Arts Council for services rendered to the Corporation as members of the Board, except that directors may be reimbursed for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts based on policies approved by the Board.
6. The Board shall meet at least four times annually.
7. Special meetings of the Board may be called by any officer or by any three Directors.

8. A quorum of Directors shall be required to constitute a meeting of the Board.

C. Terms of Office.

1. Members of the Board of Directors are elected to three-year terms and are eligible for election to one additional term.
2. No Director may serve more than two consecutive terms.

D. Election.

1. Directors shall be elected by a majority vote of the membership at the Annual Meeting or at a special meeting called for such purpose.
2. Directors shall be elected from the nominees presented by the Nominating Committee and additional nominees from the floor.

E. Vacancies.

1. A director may be removed by a majority vote of the Board for failure to perform his or her duties as a Director.
2. Vacancies on the Board of Directors due to resignation, removal or unfilled positions may be filled by appointment of the Board of Directors, until the next Annual Meeting.

F. Informal Action by Directors: meetings by conference telephone, facsimile, or email.

1. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken by the Board may be taken without a meeting if a majority of the directors consent in writing by facsimile, by mail, or by electronic mail to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the Directors shall be filed with the minutes of the proceedings of the Board.
2. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any or all directors may participate in a meeting of the Board or a committee of the Board by means of conference telephone or by any means by which all persons participating in the meeting are able to communicate with one another, and such participation shall constitute presence in person at the meeting.

G. Fiscal Sponsorship.

1. The Arts Council may enter into agreement with individuals, groups, or non-profit organizations (Project) to receive donations of cash and other property for support of specific activities which directly further the charitable and educational goals of

the Arts Council; and may make disbursements in furtherance of the Project's mission. The Arts Council shall retain complete control and discretion over the use of all contributions received on behalf of the Project, as required by the IRS. Such fiscal sponsorship agreement[s] shall comply with all IRS guidelines pertaining to such agreement[s] as designated in a Fiscal Sponsorship Agreement signed by both the Arts Council and the Project.

ARTICLE V. Officers

A. Officers.

1. The officers of the Council shall be President, one or more Vice Presidents, Corresponding Secretary, Recording Secretary and Treasurer.
2. The officers of the Council shall be the Executive Committee.

B. Election.

1. Initially, the officers shall be elected by majority vote from and by the Board of Directors.

C. Terms of Office.

1. Officers serve three-year terms.
2. Vacancies in an office during a term may be appointed by the Board of Directors.

D. Powers and Duties.

1. The President shall preside at the meetings of the Council and the Board of Directors; shall schedule meetings; shall appoint committees; and shall serve as an ex-officio member of all committees.
2. The Vice-President(s) shall have such responsibilities as the Board may assign. In the absence of the President, the Vice-Presidents, in their order, shall perform the duties of the President.
3. The Corresponding Secretary shall be responsible for all correspondence of the Council and shall perform other duties as assigned by the President.
4. The Recording Secretary shall ensure that the minutes of all meetings of the Council and Board and Executive Committee are maintained, and shall perform other duties as assigned by the President.
5. The Treasurer shall oversee the receipt, deposit, and disbursement of Council funds; shall oversee the maintenance of accurate and auditable books; shall ensure

that tax returns are filed as necessary; and shall oversee the development of an annual budget.

ARTICLE VI. Committees

A. Executive Committee.

1. The Officers of the Council shall constitute the Executive Committee.
2. The Immediate Past President shall serve as advisor to the Executive Committee.
3. The Executive Committee shall be vested with the powers of the Board of Directors when acting between Board meetings.
4. The Executive Committee meeting minutes shall be sent to all members of the Board one week prior to each meeting of the Board of Directors.
5. The Executive Committee shall meet at least four times per year.

B. Nominating Committee.

1. The Nominating Committee shall consist of at least four members, at least one of which shall be a Board member.
2. The Nominating Committee shall present a list of candidates for officers and Board members for acceptance and approval by the Board.
3. The Nominating Committee shall notify the membership of the slate of approved candidates at least 30 days prior to the Annual Meeting.

D. Finance Committee.

1. The Finance Committee shall consist of three members, including the Treasurer of the Council.
2. The Finance Committee shall perform such duties as are assigned by the Executive Committee.

E. Other Committees.

1. The President with the approval of the Executive Committee may appoint such other committees as are necessary to carry out the work of the Council.

F. Advisory Bodies.

1. The Board of Directors may from time to time appoint persons to act singly or as a committee or committees to provide expert advice to the Arts Council or to assist in other ways. Groups of advisors may include an Honorary Board, an Advisory Board, a Friends Committee, and/or other advisory groups. Each such advisor shall serve at the pleasure of the Board for a period designated by the Board, and shall have only such authority or obligations as the Board of Directors may from time to time determine. No advisor shall receive compensation for services rendered, except for payment of reasonable expenses in accordance with policies established by the Board of Directors, unless such compensation is authorized by a majority of the Board members then in office.

ARTICLE VII. Amendments

- A. The Articles of Incorporation or Bylaws of the Corporation may be amended by compliance with the provisions as set forth below:
 1. The Board of Directors may approve recommendation for amending the Bylaws by majority vote of the Board during any regular or special meeting of the Board.
 2. Amendments recommended by the Board shall be submitted for approval by majority vote of the membership at a subsequent membership meeting.

ARTICLE VIII. Indemnification

1. In this Article:

“Applicant” means the person seeking indemnification pursuant to this Article.

“Corporation” means the Arts and Cultural Council of the Rappahannock.

“Expenses” includes counsel fees.

“Liability” means the obligation to pay a judgment, settlement, penalty, fine or reasonable expenses incurred with respect to a proceeding.

“Official capacity” means, (i) when used with respect to a director, the office of director in the Corporation or (ii) when used with respect to an individual other than a director, the office in the corporation held by the individual or the employment or agency relationship undertaken by the employee or agent on behalf of the corporation. “Official capacity” does not include service for any foreign or other domestic corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise.

“Party” includes an individual who was, is, or is threatened to be made a defendant or respondent in a proceeding.

“Proceeding” means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal.

2. The Corporation shall indemnify any person who was or is a party of any proceeding, including a proceeding by or in the right of the Corporation to procure a judgment in its favor, by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, trustee, partner or officer of another corporation, partnership, joint venture, trust or other enterprise, against any liability incurred by him in connection with such proceeding if (i) he believed, in the case of conduct in his official capacity, that his conduct was in the best interests of the Corporation, and in all other cases that his conduct was at least not opposed to its best interest, and in the case of any criminal proceeding, had no reasonable cause to believe his conduct was unlawful, and (ii) he was not guilty of gross negligence or willful misconduct.

3. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the Applicant did not meet the standard of conduct described in Section (2) of this Article.

4. Notwithstanding the provisions of Section (2) of this Article: (a) no indemnification shall be made in connection with a proceeding by or in the right of the Corporation to procure a judgment in its favor in respect to any claim, issue or matter as to which the Applicant shall have been finally adjudged to be liable for gross negligence or willful misconduct in the performance of his duty to the Corporation unless, and only to the extent that, the court in which such proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, the Applicant is fairly and reasonably entitled to indemnification; and (b) no indemnification shall be made in connection with any proceeding charging the Applicant with improper benefit to himself, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.

5. To the extent that the Applicant has been successful on the merits or otherwise in defense of any proceeding referred to in Section (2) of this Article, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses actually and reasonably incurred by him in connection therewith.

6. Any indemnification under Section (2) of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a

determination that indemnification of the applicant is proper in the circumstances because he has met the applicable standard of conduct set forth in Sections (2) and (4).

The determination shall be made:

(a) By the Board of Directors by majority vote of a quorum consisting of Directors not at the time parties to the proceeding:

(b) If a quorum cannot be obtained under subsection (a) of this section, by a majority vote of a committee duly designated by the Board of Directors (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding:

(c) By special legal counsel:

(i) Selected by the Board of Directors or its committee in the manner prescribed in subsection (a) and (b) of this section; or

(ii) If a quorum of the Board of Directors cannot be obtained under subsection (a) of this section and a committee cannot be designated under subsection (b) of this section, selected by majority vote of the full Board of Directors, in which selection directors who are parties may participate; or

(d) By the members, but directors who are at the time parties to the proceeding may not vote on the determination.

Authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those entitled under subsection (c) of this section to select counsel.

7. (a) The Corporation may pay for or reimburse the reasonable expenses incurred by any Applicant who is a party to a proceeding in advance of final disposition of the proceeding if:

(i) The Applicant furnishes the Corporation a written statement of his good faith belief that he has met the standard of conduct described in Sections (2) and (4);

(ii) The Applicant furnishes the Corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet the standard of conduct; and

(iii) A determination is made that the facts then known to those making the determination would not preclude indemnification under this Article.

(b) The undertaking required by paragraph (ii) of subsection (a) of this section shall be an unlimited general obligation of the applicant but need not be secured and may be accepted without reference to financial ability to make repayment.

(c) Determinations and authorizations of payments under this section shall be made in the manner specified in Section (6).

8. The Board of Directors is hereby empowered, by a majority vote of a quorum of disinterested directors, to cause the Corporation to indemnify or contract in advance to indemnify any person not specified in Section (2) of the Article who was or is a party to any proceeding, by reason of the fact that he is or was an employee or agent of the Corporation, or is or was serving at the request of the Corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, to the same extent as if such person were specified as one to whom indemnification is granted in Section (2). The provision of Sections (3) through (7) of this Article shall be applicable to any indemnification provided hereafter pursuant to this Section (8).

9. Every reference herein to directors, officers, employees, or agents shall include former directors, officers, employees, and agents and their respective heirs, executors, and administrators. The indemnification hereby provided and provided hereafter pursuant to the power hereby conferred on the Board of Directors shall not be exclusive of any other rights to which any person may be entitled, including any right under policies of insurance that may be purchased and maintained by the Corporation or others, with respect to claims, issues or matters in relation to which the Corporation would not have the power to indemnify such person under the provisions of this Article.

10. The Corporation may purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Article and may also procure insurance, in such amounts as the Board of Directors may determine, on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against any liability asserted against or incurred by him in any such capacity or arising from his status as such, whether or not the Corporation would have power to indemnify him against such liability under the provisions of this Article.

ARTICLE IX. Dissolution

DISTRIBUTION OF ASSETS ON DISSOLUTION

This Corporation is one that does not contemplate pecuniary gain or profit to the principals thereof and it is organized solely for nonprofit purposes. On the winding up and dissolution of this Corporation, after payment of adequate provision for the debts and obligations of the Corporation, the remaining assets shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for arts and cultural purposes and which has established its tax-exempt status under Section 501 subdivision (c)(3) of the Internal Revenue Code. Any assets not so disposed of by the Board of Directors upon dissolution shall be disposed of for the foregoing purposes in such manner as may be directed by decree of the Circuit Court of the City of Fredericksburg, VA.