

# **BYLAWS OF THE ASSOCIATION FOR POPULAR MUSIC EDUCATION (APME)**

## **ARTICLE I – NAME**

1.1 Name. The name of the organization, created as nonstock corporation under the laws of the Commonwealth of Virginia, will be the Association for Popular Music Education (APME) herein referred to as the “Organization” or “APME”. APME will be acceptable as a substitute for the full name when referring to the organization in writing or in speech.

1.2 Location. The current principal location of the Organization shall be located at 582 N. Broadway White Plains, NY 10603, the Organization may establish such other locations as its business from time to time shall require.

## **ARTICLE II – MISSION, PURPOSE AND POWERS**

2.1 Mission. Popular music stands as a vital part of our modern lives. A valuable form of artistic expression, it embraces all facets of the human experience. It blends art with contemporary culture and tradition to make relevant the ever changing now. The mission of the Association for Popular Music Education (APME) is to promote and advance popular music at all levels of education both in the classroom and beyond.

2.2 Purposes. APME was created to advocate for popular music education and its advancement as a discipline. APME provides educational opportunities for teachers and students, honors the rich history of popular music, and develops innovative ways to create, perform, and teach popular music. APME also serves to bring together all involved in the pursuit of teaching and making popular music. APME was created to advocate for popular music education and its advancement as a discipline. APME promotes all forms of popular music by:

- (a) Providing educational opportunities for students and teachers.
- (b) Advancing innovative ways to create, perform, and teach popular music.
- (c) Facilitating the bringing together of all involved in the pursuit of popular music.
- (d) Honoring the rich history of popular music.

2.3 Powers. The Organization shall at all times be operated exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 and its regulations as they now exist or as they may hereafter be amended, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code as now enacted or hereafter amended. All funds, whether income or principal, and whether acquired by gift or contribution or otherwise,

shall be devoted to said purposes. No part of the net earnings of the Association shall inure to the benefit of any member, Director, or officer of the Association, or any private individual (except that (i) Officers and Directors may be reimbursed for expenses reasonably incurred on behalf of the Organization and (ii) fair and reasonable compensation may be paid to a member as an employee for services rendered to or for the Organization affecting one or more of its purposes). No compensation shall be paid to any member that would violate the tax-exempt status of the Organization, and no member, Director, or officer of the Organization or any private individual shall be entitled to share in the distribution of any of the Association's assets on dissolution of the Organization. No substantial part of the activities of the Organization shall be the carrying on of propaganda, or otherwise attempting, to influence legislation. The Organization shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

### ARTICLE III – MEMBERSHIP

3.1 Founding Members. The founding members of the organization include administrators and faculty with existing popular music programs and partners with significant interest in popular music education from the following institutions: Berklee College of Music, Catawba College, Greenville College, Contemporary Music Center, InTune Partners/Westchester Media, McNally Smith College of Music, New York University – Clive Davis Department of Recorded Music, University of Colorado Denver, Belmont University School of Music, University of Memphis, University of Miami Frost School of Music, University of Southern California Thornton School of Music, Steve Lipman Associates. The representatives from these institutions will have the responsibility as APME's initial voting membership.

3.2 Qualification. The members of this Organization shall be those persons or organizations who support the purpose of the Organization and pay the required dues for membership. Members shall be entitled to all rights and benefits in accordance with the provisions of these Bylaws. No person shall be rejected from membership due to race, religion, physical or mental impairment, national origin, sex or age.

3.3 Categories and Classifications. This Organization through its Board of Directors may establish various categories of membership and appropriate dues.

3.4 Certificate. Upon admittance to membership, the Organization shall issue a certificate of membership to each member.

3.5 Dues. The annual dues payable to the Organization by members is such amount as may be determined from time to time by resolution of the Board of Directors.

3.6 Voting. Each member in a voting eligible membership category and in good standing shall be entitled to a single vote on such matters as: the election of the Board; amendments to the Bylaws as per Article IX, Section 9.1; proposal of a merger or dissolution; the sale of major assets of the Organization or other issues submitted to a vote of the membership. Each Corporate, Institutional, or Affiliate Network Member shall designate one representative to vote on any matters submitted to the general membership. Voting may be held by paper or

electronic ballot. The particulars of the member voting procedure shall be as described in the APME Policies and Procedures Handbook, which shall be approved by the Board.

3.7 Transfer. Membership in this Organization is non-transferable and non-assignable.

3.8 Termination. Membership will be terminated in this Organization upon the occurrence of any of the following events:

(a) Receipt by the Organization of written resignation of a member, executed by the member or an attorney-in-fact duly authorized.

(b) Death of a member.

(c) The failure of a member to pay dues on or before the due date.

(d) Failure of a member to retain qualifications for membership as herein described.

## ARTICLE IV – BOARD OF DIRECTORS

4.1 Responsibilities of the Board of Directors. Except with respect to those powers reserved to the members by law, the Articles of Incorporation or these bylaws, all powers of the Organization shall be exercised by and under the authority of the Board of Directors (hereinafter referred to as the "Board"), and the property, business, and affairs of the Organization shall be managed under the Board's direction. It shall make such rules and regulations not inconsistent with the laws of the United States of America or the Commonwealth of Virginia.

4.2 Number and Election of Directors. Members of the Board of Directors are elected by the membership:

(a) The initial Directors shall be those eight (8) persons named as directors in the Articles of Incorporation

(b) The number of elected Directors shall be no less than six (6) and no more than twenty-five (25). The Officers of the Organization shall serve as Directors throughout their terms of office.

(c) The Board shall be divided into three (3) classes with the term of office of one (1) class expiring each year. At the organizational meeting of the Directors named in the Articles of Incorporation, Directors of the first class shall be elected to hold office for a term expiring at the first annual meeting of the Board; Directors of the second class shall be elected to hold office for a term expiring at the second succeeding annual meeting of the Board; and Directors of the third class shall be elected to hold office for a term expiring at the third succeeding annual meeting of the Board, Directors. At each annual meeting of the Board held after the organizational meeting, Directors shall be elected for a term of two (2) years to succeed those whose terms expire at that meeting. A Director shall hold office for the term for which elected and until a successor is elected and qualified or the director's earlier death, resignation or removal.

(c) The Directors shall be elected by the membership from names submitted by the Board of Directors Nominating Committee to the membership.

(d) Directors shall hold office for a two (2) year term, to begin July 1 and end June 30, with one of the three classes of the Board being elected each year. Except as provided below, no voting Director may serve more than two (2) terms, consecutive or otherwise. Upon completion of two terms, consecutive or otherwise, a former Director may again be nominated and elected to the Board of Directors only after an absence of a minimum of one term (2 years). Notwithstanding the foregoing, the initial Directors named in the Organization's Articles of Incorporation can serve two successive two year terms upon being elected a Director at the first or second annual meeting of the Organization.

4.3 Vacancies. Any vacancy occurring on the Board of Directors caused by death, resignation or of an elected Director or Directors may be filled with a majority vote of the Directors. The Director(s) so elected shall hold office and serve until the election of his/her successor.

4.4 Qualification for Board of Directors. The qualification for being nominated, elected and remaining as a Director of this Organization is that each Director must be a member in good standing in a Board service eligible membership category of this Organization. A member in good standing is one who has paid his/her dues.

4.5 Powers and Duties.

(a) The Board of Directors shall determine the general policies for the operation and control of the Organization and its various activities. It shall endeavor to acquire funds for the operation, maintenance and repair of any property of the Organization, and for the conduct of the activities of the Organization. It shall consider and adopt an annual budget.

(b) The Board of Directors shall have direction of all funds held for the benefit of the Organization. They shall have full and complete power, in the name of the Organization, to convey, sell, assign, transfer, lease, mortgage, pledge, exchange, or otherwise dispose of any real or personal property of the Organization, and to borrow money for its corporate purposes at such rates of interest as said Board may determine to be reasonable. They shall also have the power and right to authorize the Officers of the Organization to execute, acknowledge, and deliver conveyances, deeds, leases, notes, trust deeds, mortgages, contracts and other instruments for the purpose of effectuating the purposes of this Organization.

4.6 Removal. Any Director (member of the Board) may be removed from his or her office with or without cause, by a two-thirds vote cast by the Board at a meeting at which a quorum is present. Any Officer proposed to be removed shall be entitled to at least thirty (30) days prior written notice of the meeting of the Board of Directors, and the proposed action to remove said Director at which such removal is to be voted upon, and shall be entitled to appear, with or without counsel, before and be heard by the Board of Directors at such meeting.

4.7 Annual Meetings of the Board. The annual meeting of the Board shall be held in the month of June of each year at a regular time and place designated by the Board for the purpose of electing officers and for such other business as may properly come before the meeting.

4.8 Regular Meetings of the Board. Regular meetings of the Board shall be held not less frequently than annually. The time and place of regular meetings may be changed by the Chair or by the Board, in which case Directors shall be given such notice as circumstances permit.

4.9 Special Meetings of the Board. Special meetings of the Board may be called at any time by the Chair. Special meetings must be called upon receipt of the written request of one-third of the Directors in office. The business to be transacted at any special meeting of the Board shall be limited to those items of business set forth in the notice of the meeting.

4.10 Place and Notice of Board Meetings. Directors shall be given written notice of special meetings of the Board and such notice shall set forth the time and place of the meeting and notice of the matters of business to be transacted. Such notice shall be signed by the Secretary or the Assistant Secretary of the Organization and delivered to each Director either personally or by mail, telephone, or email to his residence or place of business (address, telephone number or email address) as listed in the office of the Secretary not less than twenty four (24) hours prior to such meeting. Notice of any meeting of the Board may be waived by the execution of a written waiver of such notice, either before, during, or after the holding of such meeting, by any Director, and such waiver shall be filed with or entered upon the records of the meeting. The attendance of any Director at any such meeting without protest at the commencement of the meeting shall be deemed to be a waiver by him of notice of the meeting. Meetings may be held at any place within or without the Commonwealth of Virginia.

4.11 Quorum and Action. A majority of the Directors of the Organization shall constitute a quorum of the transaction of business. Directors may participate in a meeting of the Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting. Except as otherwise required by law, the affirmative vote of a majority of the Directors present shall be the act of the Board. After a quorum has been established at a meeting of the Board, the subsequent withdrawal of Directors from the meeting so as to reduce the number of Directors present to fewer than the number required for a quorum shall not affect the validity of any action taken by the Board at the meeting or any adjournment thereof. A majority of the Directors present, whether or not a quorum exists, may adjourn any meeting of the Board to another time and place. Notice of any such adjourned meeting shall be given to the Directors who are not present at the time of adjournment.

4.12 Board Action Without a Meeting. Any action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors entitled to vote with respect to the subject matter thereof, and is filed in the minutes of the proceedings of the Board.

4.13 Agents and Representatives. The Board may appoint agents and representatives of the Organization with the power to perform acts or duties on behalf of the Organization as the Board may see fit, so far as may be consistent with these Bylaws, to the extent authorized by law.

4.14 Contracts. The Board, except as otherwise provided in these Bylaws, may authorize any officer, agent, representative or employee to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Organization, and such authority may be general or confined to a specific instance; provided, however, that unless so authorized by the Board, no officer, agent, representative or employee shall have any power or authority to bind the Organization by any contract or engagement, or to pledge its credit, or render it liable pecuniarily for any purpose or to any amount.

## ARTICLE V –OFFICERS

5.1 Officers. The officers of the Organization shall be a Chair, one or more Vice Chairs, a Secretary, a Treasurer, and such other officers as the Board shall deem advisable. All officers shall be elected by the Board at its annual meeting, to hold office for a term of two (2) years and until their successors are elected and qualified, except in the event of their earlier death, resignation or removal. Additional offices may be created at any Board meeting and filled by action of the Board.

5.2 Vacancies. Any vacancy in any office because of death, resignation or removal shall be filled by the Board for the unexpired term of such office at a regular or special meeting called for that purpose.

5.3 Resignation or Removal of Officers. An officer of the Organization may resign at any time by tendering his resignation in writing to the Board. The resignation becomes effective upon the date specified therein, or if no date is specified therein, upon receipt by the Organization. An officer of the Organization may be removed at any time with or without cause by a vote of not less than two thirds (2/3) of the Directors then in office.

5.4 Chair. The Chair shall be a duly elected member of the Board and shall preside at all meetings of the Board. The Chair shall appoint all Committees and their chairperson in accordance with Article V of these Bylaws. The Chair shall be the Chief Executive Officer of the Organization subject to the supervision of the Board of Directors. The Chair shall also have such other powers and duties as customarily belong to the office of president or as may be designated from time to time by the Board of Directors. A Chair will serve a two-year term and an additional subsequent two-year term as Immediate Past Chair in an advisory capacity.

5.6 Vice Chairs. In the absence of the Chair or in the event of the Chair's inability or refusal to act, the Vice Chairs, in the order designated by the Board of Directors, or in the absence of any designation, in the order of seniority, shall perform the duties of the Chair and in so acting shall have all the powers and authority of the Chair. The Vice Chairs shall perform such other duties as from time to time shall be assigned to them by the Chair. Vice Chairs shall be members of the Board of Directors of the Organization.

5.7 Secretary. The Secretary shall keep or cause to be kept all of the records of the Organization except the financial records, shall record the minutes of the meetings of the Board, send out all notices of meetings, attest to the seal of the Organization where necessary or required, and perform such other duties as may be prescribed by the Board or the Chair. The Secretary shall also keep a register of the names and addresses of each Director. The Secretary shall be a member of the Board of Directors of the Organization. The office of Secretary may be held by one who is also the Chair, a Vice Chair or the Treasurer.

5.8 Treasurer. The Treasurer shall be chairman of the Finance Committee of the Organization and the chief financial officer of the Organization. The Treasurer shall report upon the financial affairs of the Organization to the Board as requested, but at least annually. The Treasurer shall be a member of the Board of Directors. The office of Treasurer may be held by one who is also the Chair, a Vice Chair or the Secretary.

5.9 Other Officers. The Board may appoint one or more Assistant Secretaries, one or more Assistant Treasurers and such other officers having such duties and responsibilities as the Board shall deem advisable.

5.10 Appointees.

(a) The Board of Directors and/or the Chair may, by resolution, letter or by committee appointment, appoint individuals to perform various tasks or serve in various capacities as specifically set forth in such resolution or letter.

(b) In order to carry out the purpose and activities of the Organization, such individuals so appointed shall receive no compensation. However, they may be reimbursed for expenses actually and reasonably incurred in the course of such appointments.

5.11 Executive Director. The Board of Director may employ, at such compensation and at such time as it deems appropriate, an Executive Director or additional staff, upon terms and conditions as determined in writing at the time of hire.

## ARTICLE VI – COMMITTEES

6.1 Executive Committee Membership. The Executive Committee shall consist of the Chair, Vice Chair, Secretary, Treasurer, and Immediate Past Chair with voice, no vote. The Executive Director will serve on this committee as an ex officio member with voice, no vote.

(a) Authority. The Executive Committee shall have and exercise all of the authority of the Board of Directors in the management of the Organization during the intervals between regular meetings of the Board. The Executive Committee shall not relieve the Board of Directors, or any member thereof, of any responsibility imposed by law upon it, him, or her. The Chair of the Organization shall be the chairman of the Executive Committee and shall call regular meetings of the Executive Committee.

(b) Quorum and Voting. At any Executive Committee meeting, three (3) of its voting members shall be necessary to constitute a quorum for any purpose; and the action of a

majority of the members present at any meeting of the Executive Committee at which there is a quorum shall be the action of the full Executive Committee.

(c) Limited Authority. The Executive Committee shall not have authority as to any of the following: (i) the filling of vacancies on the Board of Directors or on the Executive Committee; and (ii) the amendment or repeal of these Bylaws or the adoption of new Bylaws; and (iii) the amendment or repeal of any resolution of the Board.

6.2 Standing and Special Committees. The Board of Directors and/or the Chair shall have the power to establish and appoint standing, special or ad hoc committees, including the Committee Chair thereof, as may be deemed necessary or expedient for properly conducting the affairs of the Organization, and may vest such committees with such powers as he or she may deem advisable. Special committees shall serve until the purpose(s) for which they were created has been accomplished. All committees shall be subject to the control, direction and supervision of the Chair and shall make reports from time to time to the Board of Directors as requested.

(a) Nominating Committee. The Chair shall select a Nominating Committee consisting of not less than five (5) nor more than nine (9) members from the Board of Directors. Members of the Nominating Committee must have completed at least one full year of Board Service at the time of their selection to the Nominating Committee. The Nominating Committee will include the Chair and at least one (1) additional voting member of the Executive Committee. The functions of the Board of Directors Nominating Committee shall be to select a slate of candidates to fill the vacancies of the Board of Directors. The slate of candidates shall be selected from nominations received from members in good standing. The Secretary shall certify the names and qualifications of the candidates. The slate of candidates for Board of Directors shall then be submitted to the membership at large for vote with each voting eligible member having one vote. Upon completion of the Board of Directors election, the Nomination Committee shall select a slate of candidates to fill the vacancies of the Officers. The candidates shall be selected from all eligible members of the Board of Directors, past and present. Names and qualifications of all nominees will be certified prior to being included on the slate. The slate of candidates for Officers of the Organization shall then be submitted to the Board of Directors for vote with each current Director having one vote. The Officers will be elected by a majority vote.

(b) Finance Committee. The Treasurer shall select from among the Board of Directors a Finance Committee consisting of not less than three (3) nor more than nine (9) members, the Treasurer being the chair.

### 6.3 Committee Chairs and Members

(a) The committee chairs shall be appointed by the Chair. Committee chairs shall normally serve for a term of two (2) years with continued participation subject to review by the Chair. The maximum length of service as committee chair will be two terms (four years), consecutive or otherwise, on a single committee. At the conclusion of a committee chair's final term, s/he is eligible to remain as a member of the committee.



(b) Committee members shall be appointed by the committee chair and the Chair. Committee members shall normally serve for a term of two (2) years with continued participation subject to review by the committee chair.

6.4 Committee Rules and Procedure. On an annual basis, in consultation with the Chair and approval of the Board of Directors, each committee chair shall establish rules of organization and procedure. Committee members are encouraged to submit suggestions for committee organization, procedures, and/or goals to their committee chair. Each committee will report to the Board of Directors at its regular meetings as deemed appropriate.

6.5 Advisory Committees. The Board of Directors and/or the Chair may establish one or more advisory committee(s). Such advisory committees shall aid the Officers of the Organization in all matters designated by the Board of Directors and/or the Chair.

## ARTICLE VII – INDEMNIFICATION OF DIRECTORS AND OFFICERS

7.1 Indemnification. The Organization shall, to the extent legally permissible, indemnify each person who may serve or who has served at any time as a Director or Officer of the Organization or of any of its subsidiaries, or who at the request of the Organization may serve or at any time has served as a Director, Officer or Director of, or in a similar capacity with, another organization, against all expenses and liabilities (including counsel fees, judgments, fines, excise taxes, penalties and amounts payable in settlements) reasonably incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or other proceeding, whether civil, criminal, administrative or investigative, in which he or she may become involved by reason of his or her serving or having served in such capacity (other than a proceeding voluntarily initiated by such person unless he or she is successful on the merits, the proceeding was authorized by the Organization or the proceeding seeks a declaratory judgment regarding his or her own conduct); provided that no indemnification shall be provided for any such person with respect to any matter as to which he or she shall have been finally adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Organization; and provided, further, that as to any matter disposed of by a compromise payment by such person, pursuant to a consent decree or otherwise, the payment and indemnification thereof have been approved by the Organization, which approval shall not unreasonably be withheld, or by a court of competent jurisdiction. Such indemnification shall include payment by the Organization of expenses incurred in defending a civil or criminal action or proceeding in advance of the final disposition of such action or proceeding, upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated to be not entitled to indemnification under this article, which undertaking may be accepted without regard to the financial ability of such person to make repayment.

7.2 Subsidiary. A person entitled to indemnification hereunder whose duties include service or responsibilities as a fiduciary with respect to a subsidiary or other organization shall be deemed to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Organization if he or she acted in good faith in the reasonable belief that his or her action

was in the best interests of such subsidiary or organization or of the participants or beneficiaries of, or other persons with interests in, such subsidiary or organization to whom he or she had a fiduciary duty.

7.3 Approval of Indemnification. Where indemnification hereunder requires authorization or approval by the Organization, such authorization or approval shall be conclusively deemed to have been obtained, and in any case where a Director of the Organization approves the payment of indemnification, such Director shall be wholly protected, if:

(a) the payment has been approved or ratified (1) by a majority vote of a quorum of the Directors consisting of persons who are not at that time parties to the proceeding, (2) by a majority vote of a committee of two or more Directors who are not at that time parties to the proceedings and are selected for this purpose by the full board (in which selection Directors who are parties may participate), or (3) by the members of the Organization if disinterested; or

(b) the action is taken in reliance upon the opinion of independent legal counsel (who may be counsel to the Organization) appointed for the purpose by vote of the Directors or in the manner specified in clauses (1), (2) or (3) of subparagraph (i); or

(c) the payment is approved by a court of competent jurisdiction; or

(d) the Directors may have otherwise acted in accordance with the standard of conduct set forth in the Virginia Nonstock Corporation Act found in Chapter 10 of Title 13.1 of the 1950 Code of Virginia, as amended.

7.4 Payments. Any indemnification or advance of expenses under this article shall be paid promptly and in any event within 30 days, after the receipt by the Organization of a written request therefor from the person to be indemnified, unless with respect to a claim for indemnification the Organization shall have determined that the person is not entitled to indemnification. If the Organization denies the request or if payment is not made within such 30-day period, the person seeking to be indemnified may at any time thereafter seek to enforce his or her rights hereunder in a court of competent jurisdiction and, if successful in whole or in part, he or she shall be entitled also to indemnification for the expenses of prosecuting such action. Unless otherwise provided by law, the burden of proving that the person is not entitled to indemnification shall be on the Organization.

7.5 Contract Right. The right of indemnification under this article shall be a contract right inuring to the benefit of the Directors, Officers and other persons entitled to be indemnified hereunder and no amendment or repeal of this article shall adversely affect any right of such Director, Officer or other person existing at the time of such amendment or repeal.

7.6 Heirs, Executors and Administrators. The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of a Director, Officer or other person entitled to indemnification hereunder. The indemnification provided hereunder may, to the extent authorized by the Organization, apply to the Directors, Officers and other persons associated with constituent Organizations that have been merged into or consolidated with the Organization

who would have been entitled to indemnification hereunder had they served in such capacity with or at the request of the Organization.

7.7 Indemnification no Exclusive. The right of indemnification under this article shall be in addition to and not exclusive of all other rights to which such Director or Officer or other persons may be entitled. Nothing contained in this article shall affect any rights to indemnification to which Organization employees or agents other than Directors and Officers and other persons entitled to indemnification hereunder may be entitled by contract or otherwise under law.

7.8 Insurance. The Organization shall have power to purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Organization, or is or was serving at the request of the Organization as a Director, Officer, employee or agent of another Organization, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Organization would have the power to indemnify him against such liability under the provisions of this Article.

## ARTICLE VIII – CONFLICTS OF INTEREST

8.1 Purpose. The purpose of the conflicts of interest policy is to protect the Organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an Officer or Director of the Organization. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable Organizations.

8.2 Interested Person. Any Director, Officer, or member of a Committee with Board delegated powers that has a direct or indirect financial interest, as defined in Section 3 of this Article, is an interested person.

8.3 Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

(a) an ownership or investment interest in any entity with which the Organization has a transaction or arrangement, or

(b) a compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or

(c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. A financial interest is not necessarily a conflict of interest. Under Section 4 of this Article, a person who has a financial interest may have a conflict of interest only if the appropriate Board or Committee decides that a conflict of interest exists.

8.4 Duty to Disclose. In connection with any actual or possible conflicts of interest, an interested person must disclose the existence [and nature] of his or her financial interest and must be given the opportunity to disclose all material facts to the Directors and members of Committees with Board delegated powers considering the proposed transaction or arrangement.

8.5 Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Committee members shall decide if a conflict of interest exists.

8.6 Procedures for Addressing the Conflict of Interest. Actual or possible conflicts of interest shall be addressed as follows:

(a) An interested person may make a presentation at the Board or Committee meeting, but after such presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.

(b) The chairperson of the Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the Board or Committee shall determine whether the Organization can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(d) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or Committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Organization's best interest and for its own benefit and whether the transaction is fair and reasonable to the Organization and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

8.7 Violations of the Conflicts of Interest Policy. If the Board or Committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the Board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

8.8 Records of Proceedings. The minutes of the Board and all Committees with board-delegated powers shall contain (i) the names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was

present, and the Board's or Committee's decision as to whether a conflict of interest in fact existed, and (ii) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

8.9 Compensation. The determination of compensation for an interested person, as defined in this Article, shall be made under the following rules:

(a) A voting member of the Board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

(b) A voting member of any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

(c) No Voting member of the Board or any Committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either indirectly or collectively, is prohibited from providing information to any Committee regarding compensation.

8.10 Annual Statements. Each Director, Officer, and member of a Committee with board delegated powers shall annually sign a statement which affirms that such person:

(a) has received a copy of the conflicts of interest policy,

(b) has read and understands the policy,

(c) has agreed to comply with the policy, and

(d) understands that the Organization is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

8.11 Periodic Reviews. To ensure that the Organization operates in a manner consistent with its charitable purposes, and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and are the result of arm's-length bargaining.

(b) Whether acquisitions of provider services result in inurement or impermissible private benefit.

(c) Whether partnership and joint venture arrangements and arrangements with management service organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investments or payments for goods and services, further the Organization's charitable purposes and do not result in inurement or impermissible private benefit.

8.12 Loans. This Organization shall make no loans to any of its Directors, Officers, employees, agents, members or personnel.

8.13 Use of Outside Experts In conducting the periodic reviews provided for in Section 11 of this Article, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

## ARTICLE IX – MISCELLANEOUS

9.1 Modification of Bylaws. These bylaws may be altered, amended or repealed, in whole or in part, by the affirmative vote of a majority of the voting eligible members provided a copy of the proposed amendment(s) are made available to each member at least one week prior to the vote . The Directors may also make, amend or repeal these bylaws in whole or in part and shall give written notice of such action to the membership provided a copy of the bylaws changes. Any such alteration, amendment or repeal by the Directors may then be altered, amended or repealed, in whole or in part, by the affirmative vote of a majority of the voting eligible membership entitled to vote thereon. Notwithstanding the above provisions of this Article IX, any amendment, alteration or repeal of a bylaw by the Directors as provided for in this Article shall be valid and given full force and effect unless and until acted upon by the membership.

9.2 Dissolution. In the event of dissolution of the Organization, the funds and assets of the Organization, after payment of all obligations, shall be distributed to an organization which is qualified under Section 501(c)(3) which has purposes and objectives similar to the Organization, with the approval of the voting eligible membership as in Article III, Section 3.6.

9.3 Fiscal Year. The fiscal year of the Organization shall commence on July 1st of each year and end on June 30th of each year.

9.4 Corporate Seal. The Organization shall have a corporate seal, circular in form and mounted upon a metal die, suitable for impressing the same upon paper and inscribed thereon the name of the Organization and the words "Not For Profit, Seal, and Commonwealth of Virginia."

9.5 Money Given. Any money or property devised, bequeathed, conveyed, transferred, or given to the Organization may be applied to the general purposes of the Organization, unless the donor or transferor of such money or property at the time of the gift or transfer to the Organization shall have specified some particular purpose or purposes to which such money or property shall be applied, and in that event, such money or property shall be applied to the particular purpose or purposes so specified by the transferor or donor, or such purpose or

purposes as will not be in conflict with the express or implied intent of the transferor or donor and that will not be in conflict with these Bylaws and the Organization's Articles of Incorporation.

9.6 Exempt Activities. Notwithstanding any other provisions of these Bylaws, no Director, Officer, employee, agent, member or representative of this Organization shall take any action or carry on any activity by or on behalf of the Organization not permitted to be taken or carried on by an entity exempt under Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may be amended, or by an organization, contributions to which are deductible under Section 170(c)(2), 2055(a), and 2522(a) of such Code and regulations as they now exist or as they may be amended.

The undersigned, being all of the Directors of the Organization, a Virginia non-stock corporation, certify that these Bylaws are the duly authorized and officially adopted Bylaws of said Organization as of, December \_\_\_\_, 2011, and shall be inserted in the minute book of the Corporation.

\_\_\_\_\_  
Darla Hanley

\_\_\_\_\_  
David Lee Fish

\_\_\_\_\_  
Irwin Kornfeld

\_\_\_\_\_  
Steven Lipman

\_\_\_\_\_  
Ken Lopez

\_\_\_\_\_  
Chris Sampson

\_\_\_\_\_  
Reynaldo Sanchez

\_\_\_\_\_  
Cliff Wittstruck