

BEAVER ISLAND MUSIC FESTIVAL, INC.
BYLAWS

1. CORPORATION

- 1.1. Name.** The name of the Corporation is Beaver Island Music Festival, Inc.
- 1.2. Places of Business.** The Corporation shall have its principal place of business in Beaver Island, Michigan, and may have such other places of business as the Board of Directors may determine from time to time.
- 1.3. Purpose.** The purpose of the Corporation, as set forth in its Articles of Incorporation, is to promote music and art in Beaver Island and the surrounding communities by creating opportunities for artists, being an educational resource, and encouraging community and family involvement.
- 1.4. Nonprofit Operation.** The Corporation shall be operated exclusively for purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”), or comparable provisions of subsequent legislation, as a Michigan Nonprofit Corporation. No Director, Officer, or other member of the Corporation shall have any title to or interest in the corporate property or earnings in his or her individual or private capacity and no part of the net earnings of the Corporation shall inure to the benefit of any Director, Officer, or other private individual. No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, nor shall the Corporation participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

2. BOARD OF DIRECTORS

- 2.1. Governing Body.** The business and affairs of the Corporation shall be managed by the Board of Directors, which is the governing body of the Corporation. The Corporation is organized as a Michigan Nonprofit Corporation without members or shareholders. Except as otherwise provided by law, all matters which are subject to membership vote or other action in the case of a Michigan Nonprofit Membership Corporation shall be approved by action of the Board of Directors. The Board of Directors shall meet as often as necessary to conduct the business of the Corporation, but at least four (4) times per year.
- 2.2. Number, Selection and Terms of Directors.**
- 2.2.1.** The Board of Directors shall consist of no less than seven (7) people and no more than twelve (12) people. The number of directors may only be changed by a resolution adopted by the affirmative vote of a majority of the directors

then in office. At no time shall the Board of Directors have less than the fewer of three (3) members or the minimum amount required by law.

- 2.2.2. Directors shall serve terms of two (2) years.
- 2.2.3. A director shall hold office until the annual meeting of the Board of Directors for the year in which his or her term expires, or until the director's resignation or removal. A director may resign by written notice to the Corporation. A director's resignation is effective upon its receipt by the Corporation or a subsequent time set forth in the notice of resignation.
- 2.3. **Removal.** Any director may be removed from office with or without cause at any annual or special meeting of the Board of Directors by the affirmative vote of a majority of the directors then in office.
- 2.4. **Vacancies.** Vacancies occurring on the Board of Directors by reason of death, resignation, retirement, removal or other inability to serve shall be filled by the affirmative vote of a majority of the remaining directors. A director elected to fill a vacancy shall serve for the unexpired portion of the term.
- 2.5. **Annual Meeting.** The annual meeting of the Board of Directors shall be held in conjunction with the regular meeting of the Board of Directors in June. At the annual meeting, the Board of Directors shall elect directors, elect officers and consider such other business as may properly be brought before the meeting.
- 2.6. **Regular and Special Meetings.** Regular meetings of the Board of Directors may be held at such times and places as the directors may from time to time determine. Special meetings of the Board of Directors may be called by the Chair of the Board at any time upon written notice to the other directors either personally or by sending such notice to each director electronically or by mail at the address designated by the director for such purposes.
- 2.7. **Notice of Meetings of the Board of Directors.** Except when greater notice is required by law, written notice of the time and place of all meetings of the Board of Directors shall be given to each director at least seven (7) days before the date of the meeting, either personally or by sending such notice to each director electronically or by mail at the address designated by the director for such purposes, or if none is designated, at the director's last known address. Notice of any special meeting shall state the purpose or purposes of the meeting and no business may be conducted at a special meeting other than that specified in the notice. Notice of any meeting of the Board of Directors may be waived in writing before or after the meeting. Attendance at a meeting constitutes waiver of notice of the meeting.
- 2.8. **Action Without a Meeting.** Any action required or permitted at any meeting of the Board of Directors or a committee appointed by the Board of Directors may

be taken without a meeting, without prior notice, and without a vote if all of the directors or committee members entitled to vote thereon consent in writing. For purposes of these Bylaws, e-mails shall constitute writings. Said written consents shall be filed with the minutes of the proceedings and shall have the same effect as a vote for all purposes.

- 2.9. Quorum and Voting Requirements.** A majority of the directors then in office or a majority of any committee appointed by the Board of Directors constitutes a quorum for the transaction of business. The vote of a majority of the directors or committee members present at any meeting at which there is a quorum shall be the acts of the Board of Directors or the committee, except as a larger vote may be required by state, federal, or local laws, these Bylaws, or the Articles of Incorporation. If less than a quorum is present at any such meeting, a majority of the directors or committee members present may adjourn the meeting without further notice to any absent director or committee member.
- 2.10. Participation in Meetings by Remote Communications Equipment.** A member of the Board of Directors or of a committee appointed by the Board of Directors may participate in a meeting by conference telephone or similar communications equipment by means of which all people participating in the meeting can hear one another. Participation in a meeting in this manner constitutes presence in person at the meeting.
- 2.11. Powers of the Board of Directors.** The Board of Directors shall have charge, control, and management of the business, property, personnel, affairs and funds of the Corporation and shall have the power and authority to do and perform all acts and functions permitted for a corporation described in Section 501(c)(3) of the Code not inconsistent with these Bylaws, the Articles of Incorporation, the Michigan Nonprofit Corporation Act, Act 162 of 1982, or any other laws of the State of Michigan. In addition to and not in limitation of all powers, express or implied, now or hereafter conferred upon boards of directors of nonprofit Corporations, the Board of Directors shall have the power to borrow or raise money for corporate purposes, to issue bonds, notes or debentures, to secure such obligations by mortgage or other lien upon any and all of the property of the Corporation, whether at the time owned or thereafter acquired, and to guarantee the debt of any affiliated or subsidiary Corporation or other entity, whenever the same shall be in the best interests of the Corporation and in furtherance of its purposes.
- 2.12. Conflicts of Interest.** The Board of Directors may from time to time by resolution adopt policies and procedures regarding potential dual, conflicting, or incompatible interests of directors, officers and executive and administrative employees (or contract personnel) and members of the immediate families of such directors, officers, employees and contract personnel. The policies and procedures may include a procedure for reporting interests of such directors, officers,

employees and contract personnel annually and every time there is a decision under consideration in which such a person may have an interest.

2.13. Compensation. Directors shall receive such reasonable compensation for their services as directors as shall be fixed from time to time by the Board of Directors. The Board of Directors shall also reimburse directors for reasonable expenses, including travel costs, actually and necessarily incurred in the performance of his or her duties on behalf of the Corporation in accordance with guidelines established by the Board of Directors from time to time.

2.14. Execution of Conveyances, Mortgages and Contracts. The Board of Directors may in any instance designate one or more officers, agents or employees to execute any contract, conveyance, mortgage or other instrument on behalf of the Corporation and such authority may be general or confined to specific transactions. The Board of Directors may also ratify any execution. When the execution of any instrument has been authorized without specifying the executing officers or agents, the Chair of the Board or the Executive Director may execute such instrument on behalf of the Corporation.

3. OFFICERS

3.1. Officers. The offices shall be a Chair of the Board, Vice Chair of the Board, Executive Director, a Secretary and a Treasurer. Any two offices may be held by the same person.

3.2. Election and Term of Office. All officers shall be elected for a term of two (2) year (or until their successors have been elected) by the Board of Directors at its annual meeting. No person may execute, acknowledge or verify an instrument in more than one capacity if the instrument is required by law or by the Articles of Incorporation or these Bylaws to be executed, acknowledged or verified by two (2) or more officers.

3.3. Removal. Any officer, with the exception of the Executive Director, may be removed with or without cause by the vote of a majority of the directors then in office at any regular or special meeting of the Board of Directors.

3.4. Vacancies. In the event of the death, resignation, retirement, removal, or other inability to serve of any officer, the Board of Directors shall elect a successor who shall serve until the expiration of the normal term of such officer or until his or her successor shall be elected.

3.5. Chair of the Board. The Board of Directors shall elect from among its members a Chair of the Board who shall preside at all meetings of the Board of Directors at which he or she is present. In any absence or disability of the Chair, the directors shall select one of their members to serve as Chair Pro Tem. The Chair shall be ex officio a voting member of each committee of the Board. The Chair shall see that

all orders and resolutions of the Board of Directors are faithfully executed, and shall perform such other duties as the Board of Directors may determine from time to time.

- 3.6. Vice Chair of the Board.** The Corporation may have such number of Vice Chairs of the Board as the Board of Directors may determine from time to time, and each Vice Chair shall have such duties as the Board of Directors shall determine.
- 3.7. Secretary.** The Secretary shall keep the minutes of meetings of the Board of Directors and of committees of the Board; see that all required notices are duly and timely given; be custodian of the records of the Corporation; and maintain a book containing the names and addresses of the directors of the Corporation.
- 3.8. Treasurer.** The Treasurer shall have charge of the funds of the Corporation, except for such funds as the Board of Directors may designate; shall see that an accounting system is maintained that will give a true and accurate accounting of the financial transactions of the Corporation; and shall render reports from time to time as requested by the Board of Directors of his or her activities and the financial condition of the Corporation. All funds received by the Treasurer shall immediately be deposited in a depository designated by the Board of Directors.

4. INDEMNIFICATION

- 4.1. Right to Indemnification.** Each individual who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (hereinafter a “proceeding”), by reason of the fact that such individual is or was a director or officer of the Corporation shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Michigan Nonprofit Corporation Act and other applicable laws of the State of Michigan, as the same exist or may hereafter be amended, against reasonable expenses, judgments, penalties, fines, and amounts paid in settlement incurred by such indemnitee in connection therewith and such indemnification shall continue as to an indemnitee who has ceased to be a director or officer and shall inure to the benefit of such indemnitee’s heirs, executors and administrators. However, this indemnification shall not apply if the corporation or another director has filed suit against a director or officer. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the articles of the Corporation, agreement or vote of disinterested directors or otherwise.
- 4.2. Insurance.** The Corporation may purchase and maintain insurance, at its expense, to protect itself and any person who is or was a director, officer, employee, nondirector volunteer or agent of the Corporation against any liability asserted against the person or incurred by the person in any such capacity or arising out of

the person's status as such, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Michigan Nonprofit Corporation Act or other applicable laws of the State of Michigan. Notwithstanding the preceding, the Corporation shall not pay premiums for such insurance attributable to insurance covering matters for which the Corporation would not be authorized to indemnify the person to the extent such premiums, together with any compensation paid to such person for services (as a director, officer, employee or otherwise), exceed reasonable compensation for services actually rendered to the Corporation.

5. **COMMITTEES.** The Board of Directors may establish committees for any such purpose that the Board decides. The Board of Directors may also establish and define the responsibilities of committees from time to time as it shall deem appropriate to conduct the activities of the Corporation. The members and chairs of all committees shall be nominated by vote of a majority of the directors then in office. The Board of Directors may designate one or more qualified individuals as alternative members of any committee who may replace an absent or disqualified member at any meeting of the committee.
6. **AMENDMENTS.** These Bylaws may be amended by the affirmative vote of a majority of the directors then in office. No amendment that is inconsistent with Section 501(c)(3) of the Code not inconsistent with these Bylaws, the Articles of Incorporation, the Michigan Nonprofit Corporation Act, Act 162 of 1982, or any other laws of the State of Michigan shall be effective.