

**BYLAWS
of the
AMERICAN THEATRE ORGAN SOCIETY
(ATOS)**

**A Membership Nonprofit Public Benefit Corporation
As revised through Feb 7, 2015**

**ARTICLE I
Offices, Chapters, Purpose**

Section 1.1 PRINCIPAL OFFICE. The principal office for the transaction of the business of the American Theatre Organ Society (hereinafter referred to as the Society) shall be located at such place as may be determined by the Board of Directors. The Board is hereby granted full power and authority to change the principal office from one location to another.

Section 1.2 OTHER OFFICES. Branch or subordinate offices may be established at any time by resolution of the Board of Directors.

Section 1.3 CHAPTERS. Chapters may be established by resolution of the Board of Directors.

Section 1.4 PURPOSE. This Society is a nonprofit public benefit Corporation formed under the California Nonprofit Corporation Law. It is for public and charitable purposes, and not for the private gain of any person. The public purposes shall include:

- a. The preservation and enhancement of the theatre organ;
- b. To further public appreciation of the theatre pipe organ and its music with educational programs and concerts;
- c. To encourage talented musicians to preserve the art of theatre organ playing, through competitions and awards;
- d. To encourage skilled organ builders and technicians to preserve the art of theatre pipe organ building and maintenance through educational seminars, written books and articles, and on-the-job training of aspiring pipe organ builders and technicians.

Section 1.5 LIMITATIONS.

- a. No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this Corporation shall not participate in or intervene in (including the publishing or distributing of statements in connection with) any political campaign on behalf of any candidate for public office.
- b. The property, assets, profits and net income are dedicated irrevocably to the purposes set forth in Section 1.4 above. No part of the profits or net earnings of this Corporation shall ever inure to the benefit of any of its Directors, trustees, Officers, members, employees, or to the benefit of any private individual.
- c. Upon the winding up and dissolution of this Corporation, after paying or adequately providing for the payment of the debts, obligations and liabilities of the Corporation, the remaining assets of this Corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable purposes and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Law.

**ARTICLE II
Membership**

Section 2.1 CLASSES AND BENEFITS OF MEMBERSHIP. There shall be two classes of membership: Regular and Honorary. A Regular member must be dedicated to the purposes set forth in Section 1.4. A Regular membership may be a family membership (one or more adults and dependent children living at the same address). A family membership is entitled to one vote and one copy of each regularly issued membership publication, and only one individual in a family membership may serve on the Board of Directors at any one time. An Honorary member shall be a Regular member who has rendered outstanding service to the Society over an extended period of time, and who has been selected for such recognition by the Board of Directors. The Board may select one or more Honorary

member(s) each year, and such Honorary member(s) shall enjoy all the rights and privileges of a Regular member for life without the payment of dues.

Section 2.2 ADMISSION. Any person meeting the qualifications set forth in Section 2.1 may apply to become a Regular member. Membership in ATOS shall be open to all qualified persons without regard to race, sex, sexual orientation, religion, national origin, disability, or age. Applications for membership shall be approved by (1) the Board of Directors, (2) by a committee or officer charged by the Board of Directors with responsibility for such decisions, or (3) by the ATOS Executive Secretary. The procedure for approval of membership applications shall from time to time be determined by the Board.

Section 2.3 FEES, DUES AND ASSESSMENTS. The Board of Directors may set such fees, dues and assessments for membership in the Society as the Board, in its discretion, determines. Upon learning of such fees, dues or assessments, a member may avoid liability for them by promptly resigning from membership, except where the member is, by contract or otherwise, liable for them. This provision authorizing such fees, dues or assessments does not, of itself, create such liability.

Membership dues shall be for a period of one year, commencing on the first day of the month following the month in which the application was received. Membership may be continued by paying dues each year on or before the anniversary date. Dues shall become delinquent and membership will be terminated if not paid by that date.

Section 2.4 TERMINATION OF MEMBERSHIP. Any membership may be terminated for cause by decision of the Board of Directors. Written notice of termination, stating the effective date and the reason(s) for the action, shall be sent immediately to the member by first class, certified, or registered mail. The effective date of termination shall be at least 15 days after the mailing of the notice. The member being terminated shall have the right of appeal to the Board not less than five days before the effective date of termination. Such appeal may be made orally or in writing; if oral, the Board shall notify the member in a timely manner of the date, time and place of the hearing. The decision of the Board following an appeal shall be final. Any action challenging a termination of membership must be commenced within one year after the date of termination. Any person whose membership has been terminated by the Board action shall be entitled to a pro rata refund of dues paid.

Any member may resign from the Society by submitting to the Secretary a written statement of resignation, specifying a future date on which the resignation is to become effective. A member resigning from the Society shall not be entitled to any pro rata refund of dues, fees, or assessments.

Section 2.5 TRANSFER OF MEMBERSHIP. No member may transfer his or her membership. Upon the death of a member who is part of a family membership, the rights and privileges of the membership may continue to reside with the surviving eligible family members, if they so elect. If they do not so elect, a pro rata refund of dues paid may be made if requested.

Section 2.6 PROPERTY RIGHTS. No member shall have any right or interest in any property or assets of this Society.

Section 2.7 LIABILITY. No member shall be personally liable for the debts, liabilities or obligations of this Society.

ARTICLE III

Membership Meetings and Voting

Section 3.1 ANNUAL MEETINGS. A meeting of members of the Society shall be held at least annually, at a time and place determined by the Board of Directors. In the absence of a quorum, see Section 3.5a, motions from the floor will be accepted by the Board of Directors for action at their next meeting. The Board of Directors will report the action taken on each motion to the members at, or before, the next Annual Meeting. Any motions which cannot be resolved by the Board of Directors will appear in the notice of the next Annual Meeting for resolution at that time.

Section 3.2 SPECIAL MEETINGS. Special meetings of members, for any purpose, may be called at any time by the Chairman or by the Board of Directors.

A special meeting of members shall be called by the Chairman upon written request from any member (except members of the Board) holding signed authorizations from at least 5% of the voting members of the Society. The request must state the business to be transacted at the special meeting, and it must be mailed to the principal

office of the Society, or delivered to the Chairman, the Vice-Chairman or the Secretary. The Chairman shall, within 20 days from receipt of such a request, cause notice to be given to all members entitled to vote, stating the nature of the business to be transacted and the place, date and time of the meeting. The meeting shall be held not less than 35 nor more than 90 days after receipt of such a request. No other business than that specified in the notice may be transacted at a special meeting.

Section 3.3 NOTICE OF MEETING. Notice of the annual meeting of members shall be given by the Secretary to all members entitled to vote. The notice shall be in writing, shall state the place, date and time of the meeting, and shall be sent by first class mail to every member at his or her last address of record. The notice must be sent at least ten days but no more than 90 days prior to the date set for the meeting. Publication of the required information in the Society's journal or other publication shall constitute acceptable notice, so long as the time limits specified herein are observed.

Notice of a special meeting shall be given as specified in Section 3.2.

Section 3.4 ADJOURNED MEETINGS. Any meeting of members, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the members present in person, but in the absence of a quorum, no other business may be transacted at any such meeting. No meeting may be adjourned for more than 45 days. It shall not be necessary to give any notice of the time or place of the adjourned meeting or of the business to be transacted thereat, other than by announcement at the meeting at which such adjournment is taken. If, after the adjournment, a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each member of record entitled to vote at the meeting.

Section 3.5 QUORUM

a. Number Required. The presence in person of at least 50 members entitled to vote at any membership meeting shall constitute a quorum for the transaction of the business set forth in the required notice of the meeting. If one-third or more of the voting members of the Society attend the meeting, a motion from the floor not set forth in the required notice of the meeting may be acted upon.

b. Loss of Quorum. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough members 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.

Section 3.6 WAIVER OF NOTICE OR CONSENT OF ABSENTEES

a. Written Waiver or Consent. The transactions of any meeting of members held without proper call and notice shall be as valid as if regular call and notice were given, if a quorum is present in person, and if, either before or after the meeting, each member entitled to vote who was not present in person signs a written waiver of notice, or a consent to the holding of the meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the Society records as part of the minutes of the meeting.

b. Waiver by Attendance. Attendance by a member at a meeting shall also constitute a waiver of notice of that meeting, except when the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting, if that objection is expressly made at the meeting.

Section 3.7 VOTING. Each member of the Society is entitled to one vote on matters requiring membership approval. Family memberships shall have one vote. Voting shall be by voice, unless the chairman of the meeting at which such vote takes place directs such voting to be by ballot. No single vote shall be split into fractional votes, and no cumulative voting shall be authorized. If a quorum is present, the affirmative vote of the majority of the members present at the meeting shall be the act of the members, unless the vote of a greater number is required by California Nonprofit Corporation Law.

Section 3.8 ACTION WITHOUT MEETING BY WRITTEN BALLOT. Any action which may be taken at any regular or special meeting of members may be taken without a meeting if a written ballot is distributed to every member entitled to vote. Such ballot shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot. Approval by written ballot shall be valid only when the number of votes cast is at least equal to a quorum as specified in Section 3.5,

and the number of approvals is at least a majority of a quorum. Ballots shall be distributed to members in accordance with the requirements for notice of meetings, as set forth in Section 3.3, and shall indicate the number of responses needed to meet the quorum requirements and the time by which the ballot must be received in order to be counted.

Section 3.9 RECORD DATE. The record date of membership shall be that shown on the most recent revision of the roster of members of the Society. The roster shall be revised at intervals of two months, prior to distribution of the official journal.

Section 3.10 PROXIES. There shall be no right to vote by proxy.

Section 3.11 CONDUCT OF MEETINGS. Meetings of members shall be presided over by the Chairman of the Society, or in the absence of the Chairman, by the Vice-Chairman, and in the absence of both of them, by a chairman chosen by a majority of the Board of Directors. The Secretary of the Society shall act as secretary of all meetings of members, provided that in the absence of the Secretary, the presiding officer shall appoint another member as acting secretary of the meeting.

ARTICLE IV

Board of Directors

Section 4.1 POWERS. Subject to the limitations of the Articles of Incorporation, of the Bylaws, and of the General Nonprofit Corporation Law of the State of California as to action to be authorized or approved by members, and subject to the duties of Directors as prescribed by the Bylaws, all corporate power shall be exercised by or under the authority of, and the business affairs of the Society shall be controlled by, the Board of Directors. Without limiting the foregoing, the Board of Directors shall have the power to levy dues and assessments, to select and remove all officers, agents, employees and contractors, and to fix reasonable compensation therefor, to authorize and empower officers or agents to enter into contracts and other commitments on behalf of the Society, to appoint officers and agents, and to delegate responsibilities and authority to committees, officers and agents.

Section 4.2 NUMBER AND QUALIFICATION OF DIRECTORS.

a. Elected Directors. Any member at least 18 years of age and who has been a member of the Society for two years prior to the date nominations are closed may serve as a Director of the Society. There shall be nine Directors who serve by reason of election, herein referred to as the Elected Directors.

b. Appointed Directors. There shall be four Directors who serve by virtue of an office or position held, referred to in these Bylaws as Appointed Directors, as follows: the Chairman, the Vice-Chairman, the Secretary, and the Treasurer.

c. Ex-Officio Directors. There shall be two Ex-Officio Directors who shall be (i) the Immediate Past Chairman, and (ii) the ATOS Youth Representative to the Board. For the purposes of this Section 4.2, the person serving as Chairman upon the expiration of the term shall be considered the Immediate Past Chairman. The person selected by or with the consent of the Board to be ATOS Youth Representative to the Board shall serve as ATOS Youth Representative. The ATOS Youth Representative to the Board may be removed, either with or without cause, by the Board of Directors at any regular or special meeting thereof.

d. Determination of Number of Directors. In the event a person holding office as an officer of the Society is elected to serve as an Elected Director, that person shall serve as an Elected Director. He or she may also continue to serve as an officer at the discretion of the Board of Directors; if continuing in office, there shall be one fewer Appointed Directors while that person serves as an officer.

e. Director Of Another Organization. Because Directors must give undivided allegiance when making decisions affecting the Society, a Director's serving simultaneously on the board of directors of any other national or international public, charitable or private organization that promotes the theatre organ and the performance of its music will impair and prejudice the Director in carrying out his or her duties as a member of the Society's Board of Directors. Consequently, from and after July 1, 2009 any person who is a member of the board of directors of such an organization may not qualify to run for election to the Board of Directors, may not be appointed to the Board of Directors, nor may such person serve as a Director. The prohibition in this subsection shall not apply to any person who serves on the board of directors of any chapter of the Society. Further, the prohibition in this subsection shall not apply to any Director elected in 2009, and any such Director is exempted from the prohibition of this subsection during his or her initial term and any consecutive term authorized by Section 4.4 of these Bylaws.

f. Rights And Obligations. Notwithstanding any other provision of these Bylaws, all directors identified as such in the Bylaws and/or Articles of Incorporation, including the Elected Directors, Appointed Directors, and Ex-Officio Directors described in this section, shall be directors for all purposes permitted by law and shall have the same rights and obligations with respect to the Society, including the right to vote on all matters before the Board.

Section 4.3 NOMINATION AND ELECTION OF DIRECTORS.

Elected Directors shall be elected by annual written ballot in accordance with this Section 4.3. In the event that the Society fails to comply with this Section 4.3, then Elected Directors shall be elected at the annual meeting of members or at a special meeting of members. Notice shall be given members not earlier than November 1 and not later than December 31 of each year that nominations for positions of Elected Directors are open. Each member is eligible for nomination and may nominate himself or herself or be nominated by other members, in which case written consent of the nominee is required and must be received before the nominee's name can be placed on the ballot. The close of nominations shall be not less than 50 nor more than 120 days before the day Directors are to be elected. No nomination for the Board of Directors can be made after the date set for the close of nominations. Each nominee shall furnish to the Nominating Committee Chairman such personal information as is specified in the notice, and each nominee shall furnish such information in the manner specified by the notice. Notice of applicable nomination procedures shall be in conformity with the written policies that the Board shall from time to time adopt.

The Nominating Committee shall prepare a list of candidates for the position of Elected Director, which list shall contain but not be limited to all nominations submitted by the members in accordance with this Section 4.3. The Nominating Committee shall report its selection of candidates for Elected Director to the Board of Directors on or before February 15 of each year. If, after the close of nominations, the number of nominees is not more than the number of Directors to be elected, the Board then serving may without further action declare those nominated and qualified to be elected have been elected.

On or before March 5, a written ballot and information on the candidates shall be sent to every member entitled to vote. The ballot and information shall be sent in the most expeditious manner or by inclusion in the official journal. The ballot shall name each candidate, arranged in alphabetical order according to surname.

All ballots shall be returned to the place designated and shall be postmarked not later than April 15 in order to be counted; further, all ballots shall be counted the day following the last day for receiving ballots. In any election of Directors, the candidates are elected who receive the highest number of votes up to the number of Directors to be elected. On or before May 15, the Secretary shall notify the candidates and the Board by mail of election results. Following notification of the candidates and the Board, the members shall be notified of the results of the election, which may be done by publishing the results in the official journal or other Society publication.

Section 4.4 TERM OF OFFICE.

a. Elected Directors. Each Elected Director shall serve for a three-year term; provided, however, that terms of less than three years may be served pursuant to Section 4.5. Three Elected Directors shall be elected each year by the members as provided in these Bylaws. If no election of Elected Directors is held, they shall continue to serve in office until the election of successors. An Elected Director may serve for no more than two consecutive terms of any duration. Any Elected Director having served two consecutive terms of any duration shall not be eligible for re-election or appointment as an Elected Director until at least two years have elapsed from the expiration of his or her second elected term.

b. Appointed Directors. Each Appointed Director shall serve for a term commencing at the meeting at which such officer was approved and shall continue to serve until his or her respective successor has been appointed and qualified for such office or position, subject to the requirements of Section 5.2.

c. Ex-Officio Directors.

(i) The Immediate Past Chairman shall serve as an Ex-Officio Director for one year, immediately following retirement as Chairman.

(ii) The Youth Representative to the Board shall serve as an Ex-Officio Director for a term that shall from time to time be determined by the Board.

Section 4.5 VACANCIES. Vacancies in the Board of Directors shall be filled at the next regular election by the candidates receiving the highest number of votes. Each Director so elected shall hold office until a successor is elected at an annual meeting of the members or at a special meeting called for that purpose, or by written ballot in accordance with Section 4.3.

A vacancy shall be deemed to exist in the case of the death, resignation or removal of any Director, or if the authorized number of Directors be increased without election of the additional Directors so provided for, or in

case the members fail at any time to elect the full number of authorized Directors; provided that, except upon notice to the Attorney General, no Director may resign where the Society would be left without a duly elected Director in charge of its affairs. The members may at any time elect a Director to fill any vacancy not filled by the Directors, following the procedures for the nomination and election of Directors set forth in Section 4.3, except that the dates and times therein shall be adjusted as necessary to assure that the vacancy or vacancies be filled as promptly as possible. Upon the tendering of resignation by any Director to the Board of Directors, the Board shall have the power to elect a successor to take office at such time as the resignation shall become effective. No reduction in the number of Directors shall have the effect of removing any Director prior to the expiration of such Director's term of office.

Section 4.6 PLACE OF MEETING. Meeting of the Board of Directors may be held at any place within or without the State of California which has been designated by the Board or by written consent of all the Directors. In the absence of such designation, meetings shall be held at the principal office of the Society.

Section 4.7 ORGANIZATIONAL MEETING. Immediately preceding the annual meeting of members, the Board of Directors shall hold its annual meeting for the purposes of organizing the Board, the election of officers and the transaction of such business as may come before the meeting.

Section 4.8 SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose may be called at any time by the Chairman or by any two Directors. The use of telephonic or video conferencing as a means to hold special meetings of the Board is permissible, provided that the meeting participants can hear one another and that the meeting is otherwise properly called and conducted in accordance with these Bylaws and applicable law.

Section 4.9 NOTICE OF MEETINGS. Notice of the time and place of each meeting of the Board of Directors not fixed by an express provision of the Bylaws shall be given to each Director not less than 48 hours before the date of the meeting if given personally or by telephone or electronic transmission, including by electronic mail (e-mail), and not less than seven days before the date of the meeting if given by first class mail.

Section 4.10 CONSENT TO MEETINGS. The transactions of the Board of Directors at any meeting however called and noticed or wherever held, shall be as valid as though done at a meeting duly held after call and notice, if a quorum be present, and if either before or after the meeting each Director not present signs a written waiver or notice or a consent to the holding of such meeting, or approval of the minutes thereof, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents or approvals shall be filed with the corporate records as a part of the minutes of the meeting.

Section 4.11 ACTION WITHOUT MEETING. Any action required or permitted to be taken by the Board of Directors under any provision of the California General Nonprofit Corporation Law may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of the Directors. Any certificate or other document filed under any provision of the California Nonprofit Corporation Law which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting, and that the Articles of Incorporation and the Bylaws authorize the Directors to so act. For the purpose of this section only, "all members of the Board" shall not include any Interested Director as defined in Section 4.19.

Section 4.12. QUORUM. A majority of the then-acting voting Directors shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors unless a greater number be required by law or by the Articles of Incorporation.

Section 4.13 ADJOURNMENT. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to meet again at another time or place. In the event a meeting of the Board of Directors is adjourned for more than 24 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 4.14 FEES AND COMPENSATION. Directors shall not be compensated for serving on the Board of Directors. Directors shall be entitled to reimbursement of expenses incurred on behalf of the Society. Members of committees may receive such compensation for their services and such reimbursement for expenses as may be determined by the Board of Directors; provided, that such compensation shall be reasonable and shall be comparable to compensation paid by unaffiliated entities for a like position.

Section 4.15 NONLIABILITY OF DIRECTORS. Subject to compliance with the provisions of Section 4.17, 4.18, and 4.19 of these Bylaws, no Director shall be personally liable for the debts, liabilities, or other obligations of this Society.

Section 4.16 INDEMNITY FOR LITIGATION. The Society shall have and hereby agrees to exercise the power to indemnify any person who was, or is, a party, or is threatened to be made a party to any proceeding by a reason of the fact that such person is or was a Director, officer, employee or other agent of the Society, to the full extent allowed under the provision of Section 5238 of the California Nonprofit Corporation Law relating to the power of a corporation to indemnify any such person. The amount of such indemnity shall be as much as the Board of Directors determines and finds to be reasonable, or, if required by Section 5238, the amount of such indemnity shall be as much as the court determines and finds to be reasonable.

Section 4.17 INTERESTED PERSONS. In accordance with Section 5227 of the California Nonprofit Corporation Law, no more than 49% of the Directors serving on the Board may be "interested persons." For the purpose of this section, "interested person" means either:

- a. Any person currently being compensated by the Society for services rendered to it within the previous 12 months whether as a full-time or part-time employee, independent contractor, or otherwise; or
- b. 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 any such person.

Section 4.18 STANDARD OF CONDUCT.

a. Conflict Of Interest. In accordance with Section 5231 of the California Nonprofit Corporation Law, a Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be in the best interest of the Society and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No Director will take positions adverse to the interests of Society or which compete with the Society. A conflict of interest occurs when a Director's private interest or any other duties interfere in any way, or appear to interfere, with the interests of the Society. In carrying out the Society's business, Directors often learn confidential or proprietary information about the Society, its members, financial supporters, and fund-raising activities. Directors shall maintain the confidentiality of all information so entrusted to them, except when disclosure is authorized or legally mandated. Confidential or proprietary information of the Society includes any non-public information the disclosure of which would be harmful to a person or to an ATOS Chapter, or useful or helpful to any other public, private or charitable organization if disclosed. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared by:

- i. One or more officers or employees of the Society whom the Director believes to be reliable and competent in the matters presented; or
- ii. Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- iii. A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence. Provided, that in any such case, the Director acts in good faith after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

b. Receipt of Information. Any Director with an interest, relationship, responsibility or duty that conflicts with the interests of the Society, or who is also simultaneously serving on the board of directors of any Competing Organization as defined in Section 4.2, shall recuse himself or herself from any reporting, receipt of information via e-mail or otherwise, discussions, consideration of, and vote on any issue giving rise to a conflict of interest and, if necessary, from the Board meeting, or applicable part thereof. For any potential conflict of interest, the Board, with the abstention of the Director concerned, shall decide whether such Director may participate in any reporting, receipt of information, discussion, consideration of, or vote on the issue that gives rise to a potential conflict of interest.

Upon an affirmative vote of a majority of the non-abstaining Directors, the Board of Directors including any and all staff members shall withhold any and all information on such issues as the Board may determine, whether by e-mail or otherwise, from the applicable Director, and shall take all such other appropriate action as may be necessary to effectuate this Section.

Section 4.19 SELF-DEALING TRANSACTIONS. In accordance with Section 5233 of the California Nonprofit Corporation Law, the Society shall not be a party to a transaction in which one or more of its Directors has a material financial interest ("Interested Director") unless:

a. Approval by Attorney General. The Attorney General, or the court in any action in which the Attorney General is an indispensable party, has approved the transaction before or after it was consummated; or

b. Approval by Board. Prior to entering into the transaction, after full disclosure to the Board of all material facts as to the proposed transaction and the Interested Director's interest, and after investigation and report to the Board as to alternative arrangements for the proposed transaction, if any, the Board in good faith and by a vote of a majority of the Directors then in office (without including the vote of the Interested Director):

(i) Resolves and finds that the transaction is in the Society's best interests and for the Society's own benefit, the transaction is fair and reasonable as to the Society, and after reasonable investigation as to alternatives, the Society could not have obtained a more advantageous arrangement without reasonable efforts under the circumstances; and

(ii) Approves the entire transaction; or

c. Interim Approval by Authorized Committee or Person. If it is not reasonably practicable to obtain approval of the Board prior to entering into such transaction, and, prior to entering into said transaction, a committee or person authorized by the Board approves the transaction in a manner consistent with the procedure set forth in subsection (b) of this section; and the Board, after determining in good faith that the Society entered into the transaction for its own benefit and that the transaction was fair and reasonable as to the Society at the time it was entered into, ratifies the transaction at its next meeting by a vote of the majority of the Directors then in office, without counting the vote of the Interested Director.

In light of the foregoing limitations, all Directors shall fill out an annual questionnaire dealing with this subject matter.

Section 4.20 PUBLICATIONS. The Board shall publish an official journal, and may publish other publications for distribution to the members.

Section 4.21. VOTING BY DIRECTORS.

a. Each director shall have one vote on each matter presented to the board of directors for action. Voting by proxy shall be prohibited. Except as otherwise required by applicable law and/or this section, all votes taken by the board during a meeting shall be a matter of public record and conducted by voice vote, roll call, show of hands, or rising vote, the results of which vote shall be recorded in the minutes of the meeting at which the vote was taken. Unless the use of a secret or written ballot is authorized by this section, each director's vote shall be recorded in the minutes of the meeting at which the vote was taken. Voting by secret or written ballot shall be prohibited except in cases relating to personnel matters, disciplinary matters, election of appointed directors, or matters subject to a legitimate claim of privilege.

b. Notwithstanding any other provision of these bylaws, this section shall only be amended or repealed by the affirmative vote of a majority of the members present and voting at a duly held meeting of members at which a quorum is present.

ARTICLE V

Officers

Section 5.1 OFFICERS. The Officers of this Society shall be a Chairman, Vice-Chairman, Secretary, Treasurer, and such other officers as the Board of Directors may appoint. One person may hold two or more offices, except that the offices of Chairman and Secretary shall not be held by the same person. Each shall hold office until resignation or removal or otherwise disqualified to serve, or until a successor shall be selected and qualified.

Section 5.2 SELECTION AND TERM OF OFFICERS. Any member at least 18 years of age and who has been a member of the Society for two years prior to the nomination may serve as an Officer of the Society. The Officers of the Society, except such Officers as may be appointed in accordance with the provisions of Section 5.3 or Section 5.5, shall be elected or appointed annually by the Board of Directors. Nominations of any eligible member to serve as an Officer of the Society may be made in writing, or may be made in person during the Board of Directors meeting at which the Officers are appointed. Notice of the nomination and appointment procedures for Officers of the Society shall be given to the members in accordance with the written policies of the Society. Neither the Chairman nor Vice-Chairman may serve for more than three terms of one year each.

Section 5.3 SUBORDINATE OFFICERS. The Board of Directors may appoint, or may empower the Chairman to appoint, such other officers as the business of the Society may require, each of whom shall hold office for such period, having such authority, and perform such duties as are provided for in the Bylaws or as the Board of Directors may determine.

Section 5.4 REMOVAL AND RESIGNATION. Any officer may be removed, either with or without cause, by the Board of Directors at any regular or special meeting thereof, or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom such power or removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Board of Directors, to the Chairman, or to the Secretary of the Society. Any such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.5 VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled in the manner prescribed in the Bylaws for regular appointments to such office.

Section 5.6 CHAIRMAN OF THE BOARD. Subject to the approval of the Board of Directors, the Chairman shall have general supervision, direction and control of the business and affairs of the Society. He or she shall preside at all meetings of the members and of Directors, shall appoint all committees except the Nominating Committee and Endowment Fund Committee, shall serve as an ex-officio member of all committees except the Nominating Committee, and shall have such other powers and duties as may be prescribed by the Board of Directors.

Section 5.7 VICE-CHAIRMAN. In the absence or disability of the Chairman, the Vice-Chairman shall perform all of the duties of the Chairman and in so acting shall have all of the powers of the Chairman. The Vice-Chairman shall have such other powers and duties as may be prescribed by the Board of Directors.

Section 5.8 SECRETARY. The Secretary shall keep a full and complete record of the proceedings of the Board of Directors, shall keep the seal of the Corporation and affix it to such papers and instruments as may be required in the regular course of business, shall make service of such notices as may be necessary or proper, shall supervise the keeping of the records of the Society, shall deliver the annual statement required by Section 7.5 to the members, and shall have such other powers and duties as may be prescribed by the Board of Directors.

Section 5.9 TREASURER. The Treasurer shall receive and safely keep all funds of the Society and deposit them with such depositories as may be designated by the Board of Directors, shall disburse the funds of the Society as may be ordered by the Board of Directors, shall render to the Chairman and Directors, whenever they request it, an account of all transactions as Treasurer, and of the financial condition of the Society, and shall have such other powers and duties as may be prescribed by the Board of Directors.

ARTICLE Va

Executive Staff

Section 5a.1 PRESIDENT AND CHIEF EXECUTIVE. The Board of Directors may enter into an independent-contractor agreement for the position of President and Chief Executive (herein "**President**"). Subject to the supervision and oversight of the Board, the President shall be responsible for such specific duties as may from time to time be established by the Board. No person serving on the Board of Directors may simultaneously hold the position of President, and the President shall not be entitled to vote on matters presented to the Board or any committees thereof.

ARTICLE VI Committees

Section 6.1 APPOINTMENT OF COMMITTEES. The Board of Directors, by resolution adopted by a majority of Directors then in office, may authorize such committees as the Board deems necessary or appropriate to conduct the business and further the objectives of this Society. The Chairman shall appoint all committees except the Nominating Committee and the Endowment Fund Committee. Any committee having the authority of the Board shall have two or more Directors appointed to it.

Section 6.2 COMMITTEES.

a. Executive Committee. The Executive Committee shall consist of the Chairman, Vice-Chairman, Secretary, and Treasurer, plus two other Board members elected annually by the Board. The President shall also serve in an ex-officio capacity on the Executive Committee.

b. Nominating Committee. The Board of Directors shall appoint a Nominating Committee, and the chairman thereof, and send the list of names to the Secretary, who shall notify the members of the Nominating Committee of their appointment. The committee shall consist of not more than five members, none of whom may be currently holding office as a Director or officer.

c. Endowment Fund Committee. The Board of Directors shall appoint an American Theatre Organ Society Endowment Fund Board of Trustees annually. The Board of Trustees shall consist of the Treasurer, two members of the Board of Directors, and two other members of the Society in good standing.

Section 6.3 POWER AND AUTHORITY OF COMMITTEES. The Board of Directors may delegate to the Executive Committee or to any other committee having the authority of the Board, any of the powers and authority of the Board of Directors in the management of the business and affairs of the Society, except in the following:

- a.** The approval of any action for which the California Nonprofit Corporation Law also requires the approval of members of the Society;
- b.** The filling of vacancies on the Board or in any committee which has the authority of the Board;
- c.** The amendment or repeal of Bylaws or the adoption of new Bylaws;
- d.** The amendment or repeal of any resolution of the Board which by its terms is not so amendable or repealable;
- e.** The appointment of committees of the Board or the members thereof; or
- f.** The approval of any self-dealing transaction except as permitted in Section 4.19 of these Bylaws;
- g.** The approval of expenditures greater than \$5000 for each Board-approved budget item.

ARTICLE VII Miscellaneous

Section 7.1 FISCAL YEAR. The fiscal year of the Society shall be from August 1st through July 31st of the following year.

Section 7.2 INSPECTION OF CORPORATE RECORDS. The books of account and minutes of the proceedings of members and Directors, and of any Executive Committee or other committees of the Directors, shall be open to inspection at any reasonable time upon the written demand of any member. Such inspection may be made in person or by an agent or attorney, and shall include the right to make photocopies and extracts.

Section 7.3 CHECKS, DRAFTS, ETC. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the Society and any and all securities owned by or

held by the Society requiring signature for transfer, shall be signed or endorsed by such person or persons and in such manner as shall be determined by the Board of Directors.

Section 7.4 FIDUCIARY STATEMENT. Unless otherwise specifically directed in the instrument by which such assets are vested in the Corporation, the Board shall be authorized to invest the same or the proceeds of separately or together with other assets of the Corporation in such investments as the Board may in its discretion deem advisable and to retain any investments made. The Board, by its treasurer, shall invest in prudent, conservative instruments, for example by way of illustration, certificates of deposit, U.S. Treasury bills, blue chip securities, rather than speculative instruments with a high level of risk, such as low rated debt ("junk bonds") or high risk equity securities (stock of companies in developing countries). Preservation of capital rather than increase in capital appreciation is an important investment objective.

Section 7.5 ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS. In accordance with Section 6322 of the California Nonprofit Corporation Law, the Board of Directors shall cause an annual statement of certain transactions and indemnifications to be sent to the members and to the Directors not later than 120 days after the close of the fiscal year. If the Society issues an annual report or financial statement of the Society to all members, this requirement shall be satisfied by including the required information, as set forth below, in said annual report. Such annual statement shall describe:

a. The amount and circumstances of any indemnification or advances aggregating more than \$10,000 paid during the fiscal year of the Society to any officer or Director of the Society; provided, that no such report need be made in the case of indemnification approved by the members; and

b. Any "covered transaction" (defined below) during the previous fiscal year of the Society involving more than \$50,000 or which was one of a number of "covered transactions" in which the same "interested person" (defined below) had a direct or indirect material financial interest, and which transactions in the aggregate involved more than \$50,000. The statement shall describe the names of any "interested persons" involved in such covered transactions, including such "interested person's" relationship in the transaction, and where practicable, the amount of such interest; provided, that in the case of a transaction with a partnership to which the "interested person" is only a partner, only the interest of the partnership need be stated. For the purposes of this section, a "covered transaction" is a transaction in which the Society was a party, and in which either one of the following had a direct or indirect material financial interest:

- (i) Any Director or officer of the Society; or
- (ii) Any holder of more than 10% of the voting power of the Society.

Section 7.6 CORPORATE LOANS, GUARANTEES AND ADVANCES. The Society shall not make any loan of money or property to, or guarantee the obligation of, any Director, officer, or member upon the security of the membership in the Society, except as is expressly allowed under Section 5236 of the California Nonprofit Corporation Law.

Section 7.7 PARLIAMENTARY AUTHORITY. The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern all meetings of members and of the Board of Directors when applicable, provided they do not conflict with these Bylaws or with any special rules of order the Board of Directors may adopt, or with provisions of the California Nonprofit Corporation Law.

ARTICLE VIII

Amendments and Effective Date

Section 8.1 AMENDMENTS. These Bylaws may be amended or repealed and new Bylaws adopted by the vote of the majority of the members of the Board of Directors then in office upon proper notice, unless the action would materially and adversely affect the rights of the members as to voting or transfer, except that Bylaws affecting the following may be adopted, amended or repealed only by the affirmative vote of a majority of the members present and voting at a duly held meeting of members at which a quorum is present, or by written ballot in accordance with Section 3.8:

- a. A Bylaw specifying or changing the number of Directors;
- b. A Bylaw increasing the term of office of Directors;
- c. A Bylaw increasing the quorum of members; and
- d. A Bylaw repealing, restricting, creating or expanding proxy rights.

Section 8.2 EFFECTIVE DATE. Amendments to these Bylaws shall become effective immediately upon their adoption unless the Board of Directors or members of the Society in adopting them provide that they are to become effective at a later date.