

BYLAWS OF THE COLORADO BLUEGRASS MUSIC SOCIETY
A COLORADO NON-PROFIT CORPORATION

Adopted: November 9, 1997

(as amended August, 2009)

INTRODUCTION

This document describes the structure and overall operation of the Colorado Bluegrass Music Society (also referred to herein as the Corporation). It is primarily intended to provide a framework for business operations and to satisfy legal requirements. The Charter, Mission Statement, and other documents further describe Society goals, specific objectives, and operating procedures.

ARTICLE 1 - Business Office

Section 1

PRINCIPAL OFFICE:

The principle office of the Corporation shall be located in the state of Colorado, at the place of residence of the President, or if there be none, the place of residence of the Secretary.

Section 2

CHANGE OF ADDRESS:

The Board of Directors may change the designated location of the principal office.

Section 3 OTHER OFFICES:

The Corporation may also have offices at such other places where it is qualified to do business, as its business and activities may require, as designated by the Board of Directors.

Section 4 CORPORATE AGENT:

The Board of Directors shall designate the Registered Agent of the Corporation.

ARTICLE 2 - Nonprofit Purpose

Section 1

IRC SECTION 501(c)(3) PURPOSE:

The Corporation is organized exclusively for one or more of the purposes specified in Section 501(c)(3) of the Internal Revenue Code, including for such purposes, the making of distributions to organizations that qualify as exempt organizations in Section 501(c)(3) of the Internal Revenue Code.

Section 2 Purposes

The purposes of the Corporation are set forth in its Articles of Incorporation, as well as :

- (a) To promote and encourage the development of bluegrass music;
- (b) To provide education as to the history of bluegrass music;
- (c) To provide a centralized source of information regarding events related to bluegrass music; and
- (d) To publish a newsletter which focuses on information related to the foregoing purposes.

ARTICLE 3 - Non-Discrimination Policy

Section 1

The Colorado Bluegrass Music Society shall not discriminate in any programs or activities on the basis of race, national origin, color, creed, religion, sex, martial status, age, veteran status, sexual orientation, or disability.

ARTICLE 4 - Membership and Fees

Section 1

GENERAL:

(a) Any person, association, corporation, partnership, estate or other legal entity having an interest in the stated objectives of the Corporation shall be eligible to apply for membership.

(b) No member of the Corporation may transfer a membership or any right arising therefrom.

(c) The Corporation shall be composed of active members and other types of membership as determined by the Board of Directors. The rights and benefits of each type of membership shall also be as determined by the Board of Directors. As used herein, the term "active member" shall mean a member who is in good standing as of any relevant point in time, having paid any applicable dues and satisfied all other terms of membership.

(d) Membership dues shall be payable annually in advance in an amount and time determined from time to time by the Board of

Directors. Dues for new members joining during the fiscal year shall not be prorated.

(e) Each active member is entitled to cast one vote on each matter properly brought before a meeting of members. A plurality of the votes cast by members eligible to vote shall elect the directors to be elected at the annual meeting of members. Cumulative voting for the election of directors shall not be permitted. Active members may also cast their votes absentee by mail prior to the scheduled meeting.

(f) Members shall be notified of the expiration of their membership by postal or electronic mail at their last known address in the membership records of the Corporation at least thirty (30) days prior to their membership's expiration. Such notice shall indicate that such member shall be suspended and not considered an active member unless applicable dues are paid within ninety (90) days of the member's membership expiration date. No member may exercise his right to vote, hold office, serve on a committee of the Corporation while suspended or otherwise enjoy the benefits of membership until such member becomes an active member. Any member who has been suspended shall be liable to the Corporation for dues, assessments, or fees as a result of obligations incurred or commitments made prior to suspension.

(g) Any member may resign from the Corporation by letter addressed to the Corporation. However, the resignation of a member does not relieve the member from any obligations the member may have to the Corporation as a result of obligations incurred or commitments made prior to resignation.

(h) Any member suspended for non-payment of dues may be reinstated immediately upon payment of delinquent dues and reapplication, as well as satisfaction of all other conditions of membership.

(i) Only active members shall be entitled to vote with respect to any matter required or permitted to be submitted to a vote of the members.

(j) Active members shall be entitled to vote with respect to all matters required or permitted to be submitted to a vote of the members.

(k) Each member entitled to vote shall be entitled to one vote on each matter submitted to a vote of members.

(l) If a membership in the Corporation stands of record in the names of two or more persons or in the name of an entity other than a natural person, such membership shall only have one vote with respect to any matter required or permitted to be submitted to a vote of the members.

Section 2

(Deleted).

Section 3

REVOCATION:

The Board of Directors shall have the power to revoke the membership of any individual or organization whose participation in the Corporation is determined by the board to be detrimental to the purposes set forth in Article 2 of these Bylaws.

ARTICLE 5 – Meetings of Members

(a) An annual meeting of the members of the Corporation shall be held during the first quarter of each calendar year and at a time and place within the State of Colorado as determined by the Board of Directors. At the annual meeting of members, the membership shall elect directors and officers and transact such other business as may be properly brought before the meeting. Failure to hold the annual meeting at the designated time shall not work a forfeiture or dissolution of the corporation or affect the validity of any corporate action. In the event the board of directors fails to call the annual meeting at the designated time, any member may make demand that such meeting be held within a reasonable time, such demand to be made in writing by registered mail directed to any officer of the corporation. If the annual meeting of members is not called within sixty (60) days following such demand, any member may compel the holding of such annual meeting by legal action directed against said board, and all of the extraordinary writs of common law and of courts of equity shall be available to such member to compel the holding of such annual meeting. Each and every member is hereby declared to have a justiciable interest sufficient to enable him to institute and prosecute such legal proceedings. Cumulative voting in the election of directors is prohibited.

(b) Special meetings of members for any purpose or purposes, unless otherwise prescribed by statute or by the Corporation's Articles of Incorporation or these Bylaws, may be called by the president, a majority of the Board of Directors, or upon the written petition of members having not less than 1/10th of all the votes entitled to be cast at such meeting on any issue proposed to be considered at the meeting. Business transacted at a special meeting shall be confined to the purposes stated in the notice of such meeting. The record date for determining the members entitled to demand a special meeting pursuant to this section is the date of the earliest of any of the demands pursuant to which the meeting is called, or the date that is sixty (60) days before the date the first of such demands is received by the Corporation, whichever is later. If a notice for a special meeting demanded pursuant to this section is not given pursuant to Section 3.8 of these Bylaws within thirty (30) days after the date the written demand or demands are delivered to a corporate officer, regardless of the requirements of subsection (g) below, a person signing the demand or demands may set the time and place of the meeting and give notice pursuant to subsection (g) below.

(c) General membership meetings of the Corporation shall be held periodically at such time and place as shall be determined by the Board of Directors.

(d) At least 45 days before the date of the annual meeting of members, the president shall appoint a nominating committee consisting of not less than three (3) members of the Corporation. The nominating committee, at least 30 days before the date of the annual meeting, shall select the nominees for election to the Board of Directors and as officers. No person shall be eligible as a nominee for election to the Board of Directors or as an officer unless such person is then an active member (or the duly designated representative of an acting member if not a natural person) of the Corporation and has indicated their willingness to serve if elected. Additional nominations of officers or directors may be made by a petition signed by not less than 10% of the members of the Corporation who are eligible to vote at the annual meeting of members. Any such petition so signed must be completed and received by the secretary of the Corporation at least 15 days prior to the annual meeting of members. Any nominee named on any such petition must be an active member (or the duly designated representative of an active member if other than a natural person) and have indicated their willingness to serve as a member of the Board of Directors or as an officer of the Corporation if elected. The names of all nominees for election as directors or officers of the Corporation shall be given to all active members at the same time as notice of the meeting is delivered to such members. Any person who serves on the nominating committee may neither be nominated as an officer or director while such person serves on the nominating committee nor serve on the nominating committee for more than two consecutive years. In the alternative, at the discretion of the Board of Directors, the Board of Directors may nominate persons to serve as members of the Board of Directors and as officers in lieu of appointing a nominating committee.

(e)(i) A minimum of members holding not less than ten percent (10%) of the votes entitled to be cast at a meeting of members, who are present at the meeting, either in person or by proxy, shall be requisite and shall constitute a quorum at all meetings of the members for the transaction of business except as otherwise required by statute, the Articles of Incorporation, or these Bylaws. If a quorum is not present at a meeting of members, the members entitled to vote thereat, present in person or by proxy, shall have the power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum is present.

(ii) Once a member is represented for any purpose at a meeting, including the purpose of determining that a quorum exists, the member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting, unless

otherwise provided in these Bylaws or unless a new record date is or shall be set for that adjourned meeting

(f) Whenever a quorum is present at any meeting of members, the vote of a majority of the members present in person or by proxy shall decide any question brought before such meeting, unless the question is one upon which, by express provision of statute, the Articles of Incorporation or these Bylaws, a different vote is required, in which case such express provisions shall govern and control the decision of such question.

(g) Notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days if sent by first class or registered mail, or if mailed by other than first class or registered mail, not less than thirty (30) days nor more than sixty (60) days before the date of the meeting, by or at the direction of the president, or the secretary, or the officers or persons calling the meeting, to each member entitled to vote at such meeting.

(h)(i) Notice may be given in person; by telephone, telegraph, teletype, electronically transmitted, or other form of wire or wireless communication; or by mail or private carrier; however, if these forms of personal notice are impracticable, notice may be communicated by a newspaper of general circulation in the area where published or in the Corporation's newsletter.

(ii) Written notice by the Corporation to its members, if mailed, is correctly addressed if addressed to the member's address shown in the Corporation's current record of members. If three successive notices given to a member pursuant to this section have been returned as undeliverable, no further notices to such member shall be necessary until another address for the member is made known to the Corporation.

(iii) Written or printed notice stating the place, day, and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 60 days before the date of the meeting, either personally, by facsimile transmission, or by mail, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered with deposit in the United States Mail addressed to the member at his address as it appears on the records of the Corporation, with postage thereon paid. If transmitted by facsimile, notice is deemed to be delivered on successful transmission of the facsimile.

(i) A written notice or report delivered as part of a newsletter, magazine, or other publication regularly sent to members shall constitute a written notice or report if addressed or delivered to the member's address shown in the Corporation's current list of members, or in the case of members who are residents of the same household and who have the same address in the Corporation's current list of members, if addressed or delivered to one of such members, at the address appearing on the current list of members.

ARTICLE 6 - Board of Directors

Section 1

GENERAL: (a) The affairs of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation managed under the direction of, the board of directors in accordance with these Bylaws, the Act, and the Corporation's Articles of Incorporation, in each case as amended from time to time.

(b) The number of directors of the Corporation shall be at least seven (7) but not more than ten (10), the exact number of which to be determined annually by the directors prior to each annual meeting of members; provided, in all events the Corporation shall have no fewer than three (3) directors. Commencing in calendar year 2010, the directors shall be classified with respect to the time for which they shall severally hold office by dividing the board into two (2) classes of substantially equal number, which initially shall be the election of five (5) directors of the first class and five (5) directors of the second class. The term of office of the initial directors of the first class shall expire at the regular meeting of the Board of Directors in 2009 and the term of office of the initial directors of the second class shall expire at the regular meeting of the Board of Directors in 2010. Thereafter, each director elected, whether of the first class or the second class, shall have a term of office of two (2) years. Each director shall serve until the end of his or her term of office and until his or her successor is elected and qualified or, if earlier, until his or her death, resignation, retirement, disqualification or removal from office. Directors need not be residents of the State of Colorado. The Corporation shall not be controlled directly or indirectly by one or more disqualified persons other than foundation managers. The number of directors may be increased or decreased from time to time, but no decrease shall have the effect of shortening the term of any incumbent director. Despite the expiration of a director's term, a director continues to serve until the director's successor is elected, appointed, or designated and qualifies, or until there is a decrease in the number of directors. The immediate past president of the Corporation, if not otherwise a

member of the board of directors, shall serve as a director for one (1) year following the expiration of his or her term as president.

(c) Each director shall discharge the director's duties as a director, including the director's duties as a member of a committee of the board, and each officer with discretionary authority shall discharge the officer's duties under that authority:

- (i) In good faith;
- (ii) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (iii) In a manner the director or officer reasonably believes to be in the best interests of the nonprofit corporation.

(d) In discharging duties, a director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- (i) One or more officers or employees of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented;
- (ii) Legal counsel, a public accountant, or another person as to matters the director or officer reasonably believes are within such person's professional or expert competence;
- (iii) Persons whose position or duties in the Corporation the director or officer believes justify reliance and confidence and who the director or officer believes to be reliable and competent in the matters presented; or
- (iv) In the case of a director, a committee of the board of directors of which the director is not a member if the director reasonably believes the committee merits confidence.

(e) A director or officer is not acting in good faith if the director or officer has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (d) above unwarranted.

(f) A director or officer is not liable as such to the Corporation or its members for any action taken or omitted to be taken as a director or officer, as the case may be, if, in connection with such action or omission, the director or officer performed the duties of the position in compliance with this section.

(g) A director, regardless of title, shall not be deemed to be a trustee with respect to the Corporation or with respect to any property held or administered by the Corporation including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

(h) A director or officer of the Corporation, in the performance of duties in that capacity, shall not have any fiduciary duty to any creditor of the Corporation arising only from the status as a creditor.

(i) No person shall be liable in contract or tort merely by reason of being a director, officer, or member of the Corporation

that was suspended, declared defunct, administratively dissolved, or dissolved by operation of law, and the business or activities of which have been continued for nonprofit purposes, with or without knowledge of the suspension, declaration, or dissolution, and the business and activities of which have not been wound up

Section 2

NOMINATION AND ELECTION OF DIRECTORS:

(a) Any action required or permitted to be taken at a meeting of the Board of Directors or any committee thereof may be taken without a meeting if a consent in writing, setting forth the action taken, is signed by a sufficient number of the members of the Board of Directors or the committee, as the case may be, as would be necessary to take that action at a meeting at which all of the members of the Board of Directors or such committee, as the case may be, were present and voted. An email or telecopy communication shall be deemed to be in writing for purposes of this subsection (a). Prompt notice of the taking of any action by directors or a committee without a meeting by less than unanimous written consent shall be given to all directors or committee members who did not consent in writing to the action. Subject to the provisions required herein for notice of meetings, members of the Board of Directors or of any committee designated by the Board of Directors may participate in and hold a meeting of such board or committee by means of conference by telephone or similar communications equipment such that all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 4.10 shall constitute presence in person at such meeting, except where a person participates in a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Action taken pursuant to this section shall be effective when the last writing necessary to effect the action is received by the Corporation unless the writings describing the action taken state a different effective date. Any director who has signed a writing pursuant to this section may revoke such writing by a writing signed and dated by the director describing the action and stating that the director's prior vote with respect thereto is revoked, if such writing is received by the Corporation before the last writing necessary to effect the action is received by the Corporation. Action taken pursuant to this section has the same effect as action taken at a meeting of directors and may be described as such in any document. All signed written instruments necessary for any action taken pursuant to this section shall be filed with the minutes of the meetings of the board of directors.

(b) (i) A director may waive any notice of a meeting before or after the time and date of the meeting stated in the notice. Except as otherwise provided in this section, the waiver shall be in writing and signed by the director entitled to the notice. Such

waiver shall be delivered to the Corporation for filing with the corporate records, but such delivery and filing shall not be conditions of the effectiveness of the waiver.

(ii) A director's attendance at or participation in a meeting waives any required notice to that director of the meeting unless:

(A) At the beginning of the meeting or promptly upon the director's later arrival, the director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting; or

(B) If special notice was required of a particular purpose pursuant to the Colorado Revised Nonprofit Corporation Act (the "Act"), the director objects to transacting business with respect to the purpose for which such special notice was required and does not thereafter vote for or assent to action taken at the meeting with respect to such purpose.

Section 3

MEETINGS:

The Board of Directors shall meet at times and places set at the discretion of the Board. Special meetings of the Board may be called at any reasonable time by the President or any three Directors.

Section 4

MEETING NOTICE:

The Secretary shall give notice by mail, telephone, or in person of all meetings of the Board to each Director at least SEVEN (7) days before each meeting. The time and place of regular meetings of the Board shall also be made available to the general membership.

Section 5

QUORUM AND PROXIES:

Unless otherwise designated in these bylaws, a simple majority of the Board of Directors shall constitute a quorum to conduct the business of the Corporation. A Board member who is unable to be present at a meeting may substitute a proxy vote on a specific issue. Such proxies shall be submitted to the President or Secretary in writing, by facsimile transmission, or by electronic mail, and will count toward a quorum on the particular issue covered by the proxy.

Section 6

ATTENDANCE:

Three consecutive absences by a Director from Board meetings without an excuse deemed valid by the Board shall be construed as a resignation.

Section 7

REMOVAL FROM OFFICE:

A Director may be removed from office by a unanimous vote of a quorum of the Directors.

Section 8

VACANCIES:

Vacancies on the Board of Directors resulting from the death, resignation, or removal of a Director shall be filled at the next meeting of the Board of Directors following such vacancy. Such appointments shall be by majority of vote of the Board, and will be effective until expiration of the term of office of the replaced Director.

Section 9

ADVISORY BOARD:

The Board of Directors may, in its discretion, by the affirmative vote of a majority of the entire Board of Directors, appoint any person as a member of an advisory board of the Corporation. Any such advisory board shall be honorary and advisory only, shall not participate in the operation or management of the Corporation, and no member thereof shall have any vote in the operation or management of the Corporation. Each member of an advisory board shall serve until his or her successor is chosen and qualified, but may be removed at any time by the affirmative vote of a majority of the entire Board of Directors.

ARTICLE 7 - Officers

Section 1

TITLES:

The officers of the Corporation shall be the President, Vice President, Secretary, and Treasurer. The Board of Directors may elect additional officers as it may deem necessary. Any two or more offices may be held by the same person, except the office of President.

Section 2

ELECTION AND TERMS OF OFFICE:

Officers of the Corporation shall be elected annually by the Board of Directors during the month of January. Officers shall serve a term of one year until the election of their successors.

Section 3

QUALIFICATIONS:

Officers elected by the Board of Directors shall be members of the Colorado Bluegrass Music Society. They are not required to be members of the Board prior to their election.

Section 4

VOTING PRIVILEGES:

Unless otherwise designated by the Board of Directors, all officers elected by the Board shall be voting members of the Board during their term of office.

Section 5

VACANCIES:

A vacancy in the office of President shall be filled by the Vice President until the expiration of the term of the office of President. A vacancy in any other office may be filled temporarily by the President, by appointment. Vacancies shall be filled by the Board of Directors at the next regular meeting of the Board following such vacancy.

Section 6

NON-LIABILITY OF OFFICERS:

No Officer or Director shall be personally liable to the Corporation or to its members for any debts or damages incurred by the Corporation.

Section 7

DUTIES OF PRESIDENT:

The President shall be the chief executive officer of the Corporation and, subject to the control of the Board of Directors, shall supervise and control the affairs of the Corporation and the activities of the Officers. The President shall chair all meetings of the Board of Directors and general meetings, and perform other duties as required by the Board of Directors.

Section 8

DUTIES OF THE VICE PRESIDENT:

In the absence of the President, or in the event of his or her inability to act, the Vice President shall perform all duties of the President.

Section 9

DUTIES OF THE SECRETARY:

The Secretary shall:

- (a) Record and keep minutes of all general meetings, meetings of the Board of Directors and if requested, minutes of committee meetings. Meeting minutes shall include the time and place of holding, attendees, and proceeding.

- (b) Be custodian of the records and seal of the Corporation, including the Articles of Incorporation and Bylaws.
- (c) Maintain archives of correspondence and legal documents resulting from the business of the Corporation as required by law and as directed by the Board of Directors.

Section 10

DUTIES OF THE TREASURER:

The Treasurer shall:

- (a) Have charge and custody of all funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such banks or other depositories as shall be selected by the Board of Directors.
- (b) Receive and give receipt for any funds paid to the Corporation.
- (c) Disburse the funds of the Corporation as directed by the Board of Directors, taking proper vouchers for such disbursements.
- (d) Keep adequate and correct accounts of the Corporation's properties and business transactions, including accounts of assets, liabilities, receipts, disbursements, gains, and losses.
- (e) Exhibit at any reasonable time the financial records of the Corporation to any Director upon request.
- (f) Report to the Board of Directors as requested on the financial transactions and condition of the Corporation.
- (g) Prepare financial statements for any required reports and, if necessary, arrange for certification of the financial reports of the Corporation.
- (h) Prepare an annual report summarizing the financial condition of the Corporation, including sources of income and categories of expenses, and make such summary available to the general membership.
- (i) Maintain archives of the financial records of the Corporation as required by law and as directed by the Board of Directors.

Section 11

DUTIES OF OTHER OFFICERS:

The Board of Directors shall specify the duties of any officers elected in addition to those described above. Any Officer whose duties include the receipt and disbursement of funds shall be subject to the same requirements as the Treasurer in the handling of such funds.

ARTICLE 8 – Committees

Section 1

APPOINTMENT:

The President, with the approval of the Board of Directors, may authorize the appointment and define duties of such committees as necessary to carry out the

business of the Corporation. The President shall appoint the Chair of each committee.

Section 2

DUTY OF COMMITTEE CHAIR:

The Chair of each committee shall report to the Board of Directors as requested on committee proceedings. A committee Chair may designate a member of the committee to represent the committee at Board meetings.

Section 3

DURATION:

The duration of committee appointments shall be at the will of the President and Board of Directors.

Section 4

POWERS:

No committee or and member thereof shall take or make public any action or resolution, or in any way commit the Corporation on any matter of policy or matters of general public interest without having first received specific approval or instructions from the Board of Directors. No committee or member thereof shall commit the Corporation to any legal or financial obligation without prior approval of the Board of Directors.

ARTICLE 9 - Finances

Section 1

SOURCES: Sources of the funds for the operation of the Corporation shall include, not be limited to, subscription fees, proceeds of events sponsored by the Corporation, voluntary contributions, and grants and contributions from organizations or other sources whose purposes and functions are in harmony with the purpose of the Corporation. Voluntary contributions other than subscription fees shall not entitle that contributor to voting rights.

Section 2

DEPOSITS AND WITHDRAWALS:

The funds of the Corporation shall be deposited in such banks or trust companies as the Board of Directors shall designate. Withdrawals shall be by check signed by the President, Treasurer, or other officers designated by the Board.

Section 3

FISCAL YEAR:

The fiscal year of the Corporation shall run from January 1 through December 31.

ARTICLE 10 - IRC 501(c)(3) Tax Exemption Provisions

Section 1

LIMITATIONS ON ACTIVITIES:

No substantial part of the activities of this Corporation shall be the carrying of propaganda or otherwise attempting to influence legislation. This Corporation shall not participate or intervene in (including the publishing of statements) any political campaign on behalf of, or in opposition to, any candidates for public office.

Notwithstanding any other provisions of the Bylaws, this Corporation shall not carry on any activities not permitted to be carried on by (i) a Corporation exempt from federal income tax as described in Section(c)(3) of the Internal Revenue Code, or (ii) by a corporation, contributions to which are deductible as described in Section 170 c)(2) of the Internal Revenue Code.

Section 2

PROHIBITION AGAINST PRIVATE INUREMENT:

No part of the net earnings of the Corporation shall inure to the benefit of or be distributed to its directors, officers, or other private persons, except that Corporation shall be authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this Corporation.

Section 3

DISTRIBUTION OF ASSETS:

Upon the dissolution of Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation,

dispose of all assets of the Corporation exclusively for the purposes of the Corporation, or distribute such assets to the International Bluegrass Music Museum and/or the International Bluegrass Music Association.

ARTICLE 11 - Amendments

The Board of Directors shall have the power to make, alter, or amend these Bylaws by majority vote at any meeting of the Board.

ARTICLE 12 - Rules of Order

Except as otherwise provided in these Bylaws and the Articles of Incorporation, Robert's Rules of Order shall control in all questions of parliamentary procedure.

ARTICLE 13 - Availability of Documents

Copies of these Bylaws and the Articles of Incorporation shall be kept by the Secretary, and made available to any member on request.

ARTICLE 14 - Construction and Terms

If there is a conflict between these Bylaws and the Articles of Incorporation, the Articles of Incorporation shall prevail. Should any of the provisions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions of these Bylaws shall be unaffected by such holding.

All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or corresponding provisions of any future United States tax code.

ARTICLE 15-INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Corporation shall indemnify each officer and director of the Corporation to the maximum extent allowable by the Act and other applicable law. Any indemnification or other action with respect thereto that is permissible under the Act shall be deemed mandatory for purposes of these provisions of the Bylaws.

ARTICLE 16-CONFLICTS OF INTEREST

(a) The purpose of this Conflict of Interest policy is to protect the Corporation'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 Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

(i) Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, in a contemplated or completed transaction is an interested person.

(ii) 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 Corporation has a transaction or arrangement;

(B) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation 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 Corporation is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 10.2(a), a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

(b)

(i) In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

(ii) After disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members, as the case may be, shall decide if a conflict of interest exists.

(iii) (A) An interested person may make a presentation at the governing board or committee meeting, but after the presentation, that person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(B) The chairperson of the governing 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 governing board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement 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 possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

(iv) (A) If the governing board or committee has reasonable cause to believe 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.

(B) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

(c) The minutes of the governing 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 governing board's or committee's decision as to whether a conflict of interest in fact existed.

(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 with the proceedings.

(d)

(i) A voting member of the governing board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

(ii) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is

precluded from voting on matters pertaining to that member's compensation.

(iii) No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

(e) Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

(i) Has received a copy of the conflicts of interest policy;

(ii) Has read and understands the policy;

(iii) Has agreed to comply with the policy; and

(iv) Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

(f) To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

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

(ii) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in private inurement, impermissible private benefit or in an excess benefit transaction.

(g) When conducting the periodic reviews as provided for in subsection (f) above, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.